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THE MARKET FOR INTERNATIONAL CONGRESSES



UNITED STATES DEPARTMENT OF COMMERCE
United States Travel Service
Office of Research and Analysis

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THE MARKET FOR INTERNATIONAL CONGRESSES

Conducted by Karol N. Gess
in conjunction with
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UNITED STATES OF COMMERCE
United States Travel Service
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INTRODUCTION

This study is based on an extensive program of analytical interviews carried out by K. N. Gess and S. R. Hill through the second half of 1974 in three principal geographic areas: Europe, the United States and Canada, Japan and South-East Asia. Some 200 comprehensive informal interviews were conducted, involving almost 300 individuals and covering a broad range of organizations, administrations, facilities, and individual experts with an equally broad range of involvement in various facets of the world-wide conventions and congress market, both on the user and service-supply side.

In Europe, interviews were conducted in Belgium, Denmark, France, Germany, the Netherlands, Switzerland, and the United Kingdom. It also covered the rest of the European market from those centers, as well as key areas in other parts of the world, notably Brazil, Indonesia, Kenya, and Mexico, as well as Israel. The Far Eastern phase of the study covered Japan, Hong Kong, and Singapore.

In each area, including the United States and Canada, the program covered interviews with the following categories of organizations and individuals:

- Headquarters (secretariats general) of international associations;

- International organizations concerned with, or active in, the fields of coordinating or otherwise furthering international congresses and information thereon;

- The International Union of Official Travel Organizations (IUOTO);

- National associations with international affiliations;

- National government tourist offices (NGTOs);

- National, state and local convention and visitors bureaus;

- Individual convention and congress facilities;

- Professional congress organizers;

- Travel agencies, with stress on congress-travel specialists;

- Hotel groups and individual hotels with activity in the congress market;

- Air carriers;

- Individual market, statistical and other experts.

In addition, substantial amounts of background material were assembled and analyzed, including specialized publications and summaries, directories, statistics, materials on national and individual congress facilities and services, and background material on individual events. Information was also obtained from corporate sponsors of congresses and smaller meetings, and from facilities catering to such events.

The study covers a range of topics and facets of the market, but has sought to stay within certain key areas of concern:

1. The market's mechanics and their initiating forces, with stress on the mechanics of the venue-decision making process;
2. International, regional, and site competition;
3. The demand sector's requirements in terms of both venues as well as facilities and service;
4. The size of the market and its economic implications and effects;
5. The role of congress-related travel and tourism;
6. The future outlook for the world congress market; and
7. In each case, the U.S. position in relation to each of these areas of analysis and review.

The study has sought, throughout, to maintain a practical and realistic position, and to review critically the considerable amount of sometimes questionable statistical material pertaining to the congress market.

Applying carefully defined terms of reference that relate to the non-governmental sector of the international congress and meetings market, the study estimates the current (1973-74) average of that market at 4,150 events that can be termed international, with 1.7 million participants, and a total economic product (excluding international air travel) of about \$500 million; allowing for multiplier effect, the total economic product is estimated at between \$1,500 and \$2,000 million.

The United States share of this total market is estimated at about 5 percent in terms of the number of international events, and almost 12 percent in terms of total attendance. These shares are, however, boosted to almost 7 percent and 15 percent respectively in terms of that segment of the world congress market that has full freedom of venue selection and is not bound to a specific area or region, e.g., Europe. U.S. attendance figures are further increased by substantial foreign attendance at national conventions and other events.

It is estimated that, bearing in mind a growing trend toward smaller, specialty-oriented congresses, the market in four key areas (North America, Europe, Japan and South-East Asia, and Australŕa) will increase about 2½ times in terms of events over the next 20 years, and will about double in terms of number of participants.

This projected growth, while more modest than that forecast by perhaps overly-optimistic sources, is likely to be accompanied by increasingly sharp competition among the major venue areas and individual sites, with growing opportunity for attracting an increasing number of events (and participants) to countries outside Europe. The prime contenders in this competition are likely to be North America—primarily the United States and Canada; Japan; Hong Kong and Singapore (each other's prime competitors), and Australia.

Europe, Japan, and probably also Australia, are likely to become increasingly important **exporters** of convention and congress participants with the market's progressive internationalization on a global scale, but that later development will depend primarily on the future level of air fares—the most important determinant in long-haul congress travel, though it is anticipated that professional interest will always be an offsetting factor.

There are strong indications that demand trends are in the direction of increasingly specialized events with a tightly-scheduled and organized substance orientation—that is,

toward congresses as distinct from conventions. The latter form carries an often negative connotation of a social or pleasurable event. At the same time, there is likely to be greater stress on informality and an opportunity for professional contacts and exchanges of views: of participants talking to each other rather than being talked at. The sponsors are likely to be predominantly smaller, specialized associations which will require increasing assistance in organizing these events. Current trends suggest that such assistance will come, increasingly, from National Government Tourism Organizations (NGTOs), local convention bureaus, the congress facilities themselves on an in-house basis, and from hotels and conference centers, as well as from professional congress organizers.

Trends also suggest growing demand for **integrated, flexible facilities** rather than for vast halls; for **attractive sites and surroundings**, and above all, for **thoughtful and efficient auxilliary services at every step**.

In essence, the congress market is one of opportunity, provided that national resources are mobilized, not only in terms of facilities and organization, but particularly through growing involvement of national organizations and groups in the **international** field—at international congresses elsewhere—as a prelude to extending invitations to venues in the United States.

The report seeks to outline the facilitations and services offered in competing areas, and it is effective competition at these levels that will in the long run determine relative market shares.

PREFACE

ECONOMIC OVERVIEW

This study deals with a market that is highly segmented in both its demand and supply aspects that it would be appropriate to speak of “markets” in the plural—each with pronounced characteristics that are very much its own. Nevertheless, the separate market segments involved have a common generic characteristic: the bringing together of people with a common bond or interest for a specific purpose that is related to that common factor, be it to exchange information and experience, to learn of new developments, or to form or renew interest-related contacts. Further, as a matter of definition for this study, the gatherings concerned are geographically transnational or international in terms of attendance, choice of venue, or both.

Within this broad initial definition, which is subject to substantial refinement in chapter I, the study seeks an analytical narrowing to optimal opportunity areas among the number of market segments that exist.

The international convention, congress and meetings market is characterized by relatively long lead times for future planning: it is thus almost by definition somewhat protected against short-term economic fluctuations. But for the same reason, the market may be subject to a degree of distortion in the light of economic thinking at the time a future event is planned. For instance, venues decided upon in the early 1970s were accepted (among other reasons) on the basis of the then prevailing low air fares, while current planning for future events—often into the 1980s—is colored by the impact of present air fares, especially where long-haul travel by a substantial number of those attending is concerned.

Nevertheless, in the relatively short term of between two and, say, six years, the convention, conference and meetings market may be regarded as a valuable hedge against fluctuations in the pure tourism market. Thus, though tourism volume has dropped in most areas of the world in 1974, international convention, conference and meetings travel—most of it committed several years ahead—is on the increase.

It is, however, important to add a cautionary note: While a given conference is usually committed several years ahead, individual attendants need make no final commitments until about three months before the event, so that there is ample room for short-term fluctuation in actual attendance (and therefore, travel volume). Nevertheless, given strong motivation to attend, a “go” or “no go” decision by individual attendants is again somewhat buffered against the economic situation of the moment.

The widely-held view among suppliers of conference and meeting facilities that the market is relatively inflation- and recession-proof is seemingly borne out by the worldwide proliferation of new conference facilities and auxilliary services. However, this expansion, among other indicators, is in fact mainly symptomatic of the market’s broadening geographic horizons. These developments also signal a future substantial increase in competition among the growing number of available venue sites.

VENUE-SELECTION

It is one of the study's key findings that basically, 80 percent or more of the market for conferences of 100 persons or more is not a free market in terms of choice of country of venue. In the case of the overwhelming majority of regularly-scheduled conferences and congresses of non-governmental international associations and similar bodies, the basic decision-making process with regard to future venues is subject to an overriding prior requirement of an invitation extended by national members. Nevertheless, it is precisely this organized association segment of the conference and congress market that is the primary target of the competing facilities' sales effort—national, provincial and local venues sites; convention and congress buildings, hotels, and congress-organization services.

In terms of market realities, though the invitation procedure noted above is generally inflexible in the association-congress context, invitations can be prompted by influential executive boards or association secretaries-general. It follows that there is an area in which a seemingly captive market takes on a degree of free-market coloration.

Another competitive or free-market element in the area of congress-venue selection arises from a growing trend, particularly among medical and some scientific associations, toward a virtually global rotation of venues with stress on permitting greater attendance by doctors and scientists in the developing countries. This trend, which is often also related to a desire to offer venues with a tourism attraction on the spot or en route, has been increasingly paralleled by the appearance of problems in the form of political upheaval, natural disaster, local war, and so forth that have forced a last-minute change of venue.

In such cases, the decision-making power usually rests exclusively with the administrative head of the association concerned, who then tends to draw on his memory of site-sales calls made on him, on descriptive materials at hand, or on his own experience of past successful congresses. This is clearly an *ad hoc* contingency market, but it is one that may involve sizeable congresses: a country's established reputation as a source of flexible venue sites and the availability of an on-the-spot liaison or sales office in the market—for instance, in Europe—can prove to be a significant asset.

CONVENTION TRENDS

There is broad consensus among the wide range of international associations and other organizations interviewed in Europe in the course of this study that demand centers on **working** congresses and conferences as well as on small conferences and seminars, with meaningful discussion of points of information and common interest as the prime purpose. There is a growing belief that most persons in active professional and business life will not waste time and money on extended meetings or on those lacking a sound substantive program.

Similarly, there is a trend—less pronounced perhaps—to hold pre- or post-congress tour programs to fairly modest proportions or, in the case of high-level scientific congresses, to reject the idea of congress-connected tourism altogether except for visits to specialty-related facilities such as plants or laboratories. There is virtually total rejection of the idea of “conventions” in the traditional sense, of “junkets” and of excessive peripheral entertainment. Nevertheless, the pertinent associations note that certain congresses held at distant venues prove popular because they offer an opportunity for some en-route tourist or professional visits.

A wide range of organizations concerned with the study of developments in the congress and meetings market tend strongly to believe that the trend toward serious congresses with hard-core professional substance will be reflected in a growing number of relatively small congresses with an attendance of between 80 and 100 persons. This trend is borne out by the findings of a German study cited by the International Union of Official Travel Organizations (IUOTO) (but not otherwise identified) that 66 percent of congresses surveyed in Germany had 200 participants or less.¹

The stress on serious conferences tends to highlight the task of the equally serious, substance-oriented organizing committees, usually formed by the national chapter or association in the host country. Most international association secretariats acknowledge that the congress-organizing task is burdensome, and it is at this level that matter-of-fact assistance by a national or local organism of one kind or another (including a national government tourist office) is at times mentioned as a point of attraction for a certain country or specific venue site. The broader the range of advisory and auxiliary services (as distinct from high-pressure salesmanship for local facilities) that can be made available, the better the reputation of the venue site concerned.

A number of these current trends, but notably the growing competition among congress facilities, has impelled the emergence of what is essentially an entirely new market segment. The **self-generated event** is organized in its totality by a given congress facility, optimally in the hope that the event will take root and become an established feature of the international meetings calendar (example: specialized fair or event). Several such instances are reviewed in the body of this report. At this introductory stage, interest centers on the fact that there is an emerging, dynamic market segment that can generate its own events without the initial support of an existing association or other sponsoring body and that can, with the use of good judgment, repeat performances that eventually lead to the establishment of a tradition.

A special feature of this market segment is the fact that it is geographically tied to the site of the sponsoring facility. In this sense, it represents a radical departure from the usually changing congress circuit in which a rotation of venue sites tends to be an established practice. It must, however, be noted that the self-generated congress market segment tends to be tied to parallel exhibitions of pertinent equipment (in large measure a matter of obtaining industry financing). It thus takes on some of the coloration of the traditional exhibition circuit in which given events are firmly tied to a specific site.

Apart from generating their own congresses through the type of "seed ventures" described in the preceding paragraphs, certain new congress centers are making an all-out effort to attract both large conventions (particularly of U.S. groups) and **ad hoc** meetings—primarily corporately sponsored—by offering not only ultra-modern facilities but also all-embracing services that are, in essence, integrated conference-organizing functions designed to ease the task of the conference sponsors. In the case of new centers with major hotel facilities in the same building complex, such as the new Centre International de Paris, virtually total in-house service is offered. On the demand side, such facilities are at least one answer to sponsors' frequently expressed fears that large congresses entailing spreadout accommodations place the event in jeopardy of physically falling apart, with the possible result that specific events within the congress are poorly attended.

¹The study *Der Kongressreiseverkehr* (Congress Travel Patterns) by Dr. Eberhard Gugg (Munich, Deutsches Wirtschaftswissenschaftliches Institut für Fremdenverkehr and der Universität München, 1972) puts the proportion of congresses and meetings held in Germany with 200 participants or less at 88 percent.

Other new congress centers, especially those in developing countries (e.g., Hong Kong; Singapore; Jakarta, Indonesia; Nairobi, Kenya; and Addis Ababa, Ethiopia²) built in anticipation of growing demand for congresses attracting both long-haul and regional attendance, have retained the services of professional congress organizers both to attract a clientele and to determine, through seminars of familiarization-tour participants, just what types of services and facilities the market actually demands. Once fully operative, these centers will presumably seek to find their market niche on the basis of both location—that is, touristic attraction—and the quality of integrated organizing services.

There is growing recognition, particularly among scientific groups with a strong academic orientation and membership, that existing **university facilities**—certainly in the industrialized part of the world—actually offer much of what the growing network of specialized congress facilities seek to provide: a wide range of meeting and seminar halls and rooms, usually with integral sleeping and eating accommodations, and usually a range of auxiliary support services. Above all, however, university facilities offer a chance of low-cost congresses with strong attendance among the academic community—strong both in terms of numbers and quality—which tends to reflect favorably on the sponsoring organization. A successful congress, in turn, will often become known by its venue site, whose reputation is thus enhanced. Both for financial and prestige reasons, a growing number of universities welcome such meetings.

SALES APPROACHES

It is self-evident that congress and meeting sponsors, no matter what their character, seek to create events that are “successful” in the terms appropriate to each: for instance, in terms of the quality of the papers read, discoveries or new processes described, memorable debates, and so forth. At a more crucial level, the success of a conference is also measured in terms of the attendance it draws. Among other considerations, this is clearly reflected in the cost per delegate attending—and in the overall satisfaction derived from the event by those attending and by the organizers themselves.

There is thus a very real if somewhat intangible cost-benefit ratio involved, and this, together with the overall satisfaction derived by all concerned, eventually becomes part of the “shop talk” both among professional communities and the tighter community of association executives, congress organizers and suppliers of congress facilities. In brief, definite reputations emerge and, justly or otherwise, tend to adhere strongly to the venue site. Specific sites thus acquire images of their own, of varying strength and connotation.

There is every indication that the sales efforts by various countries, sites (and groups of sites) and specific congress facilities will—indeed, must—gain momentum in the months and years to come as competition among them increases in the wake of the opening of several major new facilities between the end of 1974 and 1976.

An even stronger motivation is the drop in conventional tourism or, perhaps more correctly, a decline in anticipated tourism growth-rates in certain areas of the world, particularly in those drawing on distant markets and thus involving relatively high travel costs. Several of those areas and countries had, at the outset of the 1968-1973 tourism boom, suffered from severe shortages of hotel accommodation. They had sought to remedy this by often large-scale new construction—frequently with disregard for the possibility of competitive

²The Africa Hall facility at Addis Ababa was built in the 1960s as a center for international governmental meetings, and is now being converted for general congress use.

construction (e.g., by other chains at the same place)—and now find themselves with a substantial hotel overcapacity.

The congress and meetings circuit is currently seen as the virtually automatic remedy for that overcapacity. Cases in point are Singapore, Hong Kong, and Nairobi (Kenya). In addition, major integrated congress centers with their own hotel complexes are emerging at Birmingham (United Kingdom), São Paulo (Brazil), Montreal, and Copenhagen, to mention only a few.

There are probably as many forms of sales approaches as there are competing facilities, and many of these approaches have involved the construction of lists of “decision makers” are most readily identifiable among the international associations, which are regular congress sponsors, but their influence on venue-site selection is at best at arm’s length, except in cases of last-minute emergency. In addition, most associations will not return to a previous meeting site for between 10 and 20 years at best, depending on congress frequency. Furthermore, precisely because congresses are increasingly seen as a cure-all for a fall in tourist traffic, more and more countries resort to fairly elaborate methods to “elicit” national invitations, so that the number of invitations issued for a single congress is increasing. Except in the rare instances where split venues are deemed feasible, most association executive boards tend to accept at least up to three invitations at a time, for consecutive congresses, so that commitments may stretch as much as **twelve years ahead**. In all, there is a rapid decrease in competitive elasticity, while at the same time, competitive sales efforts are being stepped up.

As already noted, these sales efforts are aimed first and foremost at the decision makers in the congress circuit, or at the **presumed** decision makers. Listings are readily available from certain standard reference sources on international meetings, but these listings tend to have an error factor of some thirty percent or more, with wrong addresses, wrong names of leading officials, defunct organizations, and so on. Private listings, sometimes assembled by professional congress organizers on the basis of questionnaires, tend to be more accurate in their detail, but the persons concerned are not necessarily the actual decision makers in respect of congress venues but, rather, influential executive board members who have little say in the venue decision.

Finally, all listings, published or self-constructed, tend to be out of date in respect of the substantial network of international associations with what can be termed “floating secretariats”—that is, the named (often honorary) executive head of the organization changes from one congress to the next, usually passing to a member of the next host association. This practice, prevalent in the scientific field, makes direct contact difficult if not impossible. Here again, however, there are exceptions—for instance, the delegation of minimal organizational duties to the secretary of an academic department of which the association secretary general of the moment happens to be a member.

Sales methods as such range from invitations to familiarization tours, through personal calls, to mass mailings of descriptive literature. One overall impression formed during this study suggests that information on potential venue sites and on related facilities is received with a certain amount of interest and then often consigned to file, to be reviewed when an emergency change of venue is needed. An initial exception to this course is found among a minority of (usually affluent) organizations where members of the secretariat will visit a proposed site once an official invitation has been received (or when it is at a negotiating stage). The primary purpose of such a visit is to ascertain what facilities and services are available on the spot, and to what extent headquarters back-up action may be required at the actual organizational stage.

Peripheral mention has already been made of professional congress organizers whose basic line of business it is to carry out all the necessary ground-work and to attend to the details that can be burdensome to a host organization that lacks the required staff. More important, however, professional organizaers will assume complete responsibility for selling the services of given congress facilities, usually at locations distant from their basic markets.

Ideally, then, they seek to sell an integral package: a conference at a site that they represent together with their organizing services. Thus, though professional organizers could constitute a **secondary** source of sales (for instance, of the United States as a general venue area) there may well be a competitive side to their services if the client can be swayed to accept an alternative venue in which the organizer has a **direct** vested interest.

VENUE INCENTIVES

Incentives and inducements designed to favor the adoption of a given venue vary considerably, but interest must first center on the one approach that recommends itself strongly. When a national invitation to hold a given association's next congress in the country concerned is issued, the national delegate **is accompanied**, and often followed as speaker in executive session, **by a member of the national government tourist organization** concerned who then describes the country, its facilities, and any specific incentives (e.g., rent-free congress buildings) that the NGTO can offer. The proposed venue thus takes on live form in a substantive, practical presentation that seemingly meets with wide approval.

This approach, however, is only the final implementing phase to a basic government policy of **encouraging** national professional and other associations to join the appropriate international groups in order to create the opportunity for issuing an invitation. In some countries, national professionals, scientists, and others are subsidized to attend international meetings in order to issue an invitation, or to form (with government subsidy) new international organizations with the provision that the first congress be held in the country concerned.

In other cases, the ministry of foreign affairs compiles listings of international meetings and approaches appropriate national organizations with specific requests to attend and to take an active role in association administration and eventually to issue a national invitation. In some instances, national delegates are encouraged or even instructed to seek preliminary negotiations on the changes of success of a national invitation, which is forthcoming as soon as its success had been ascertained.

The more common incentives consist of free basic facilities, local organizing services, some form of free (and prestigious) hospitality by a national, (provincial or city) government, free interpretation equipment and similar technical assistance, or any succession of these.

In other instances, the very availability of sophisticated audio-visual and closed-circuit television equipment is deemed a strong inducement, though charges for their use are levied. Technical sophistication of available equipment, however, holds little attraction for groups that do not need it, and an indiscriminate sales policy based on such availability can, at times, needlessly reflect negatively on the venue site concerned.

Within Europe at least—and a majority of established international associations are headquartered there—the use of high-powered delegations from certain congress sites, and seminars discussing in detail the virtues and facilities of these sites, tend to have little if any positive impact. Meetings with delegations, or seminars, may be well attended, but it is virtually always on the principle of courtesy without any interest beyond that.

Mass presentations and seminars tend to be organized by commercial firms on behalf of the basic sponsors, and while they may gain considerable publicity, authoritative sources suggest that the cost-efficiency ratio is extremely low; in fact, that it is close to zero. The opposite, however, is true of instances where a given site—country, town or specific congress facility—can respond immediately to an inquiry by arranging for a personal visit by a responsible official to the inquiring organization in order to present specific details, answer specific questions, and possibly set advance arrangements in motion. While preliminary low-key broadcast presentation of venue ideas among congress organizers is clearly advantageous, the greatest return is to be expected from individualized, detailed attention given a “live prospect” inquiry, with stress on service aspects.

CONGRESS-ORGANIZING FACTORS

It is perhaps a truism that the congress organizers who are most in need of technical and organizational assistance are those that are the hardest to find—the “floating secretariats” already referred to. It is at this level that a largely honorary post can entail burdensome duties. To cite a specific example: If a scientist at a U.S. university becomes organizing secretary of his society’s next congress, to be held in the United States, his first point of recourse will be the permanent secretariat of the related international umbrella organization. That organization, probably located in Europe, will lack the means of effective liaison with potential venue sites in the United States, unless it has been briefed, in advance, on means of establishing such direct liaison through a U.S. Convention Sales Office in Europe. With effective liaison through this channel, the honorary secretary in the United States can be guided and assisted to organize a successful meeting, to everyone’s satisfaction.

Until a specific venue has been decided on, additional guidance from Washington may also be of material assistance, at least until the convention bureau or other (e.g., hotel) organization at the site eventually chosen can take over. It is at these workaday levels that the need for assistance appears to be greatest.

Secondly, the strong segmentation of the international congress market, first discussed in principle in chapter I, is paralleled by marked differences among the various congress-client groups in their propensity to travel over relatively long distances, possibly accompanied by family members. Thus, while academic/scientific associations are very cost-conscious on behalf of their members in discussing venue choices, associations of the established professions such as medicine and the law regard costs as a secondary or even tertiary factor, though time and timing factors rank high in this segment.

It should be noted that in the two moderate extremes cited here the substantive content of the congress will play a determining role in an attendance decision, although this may be swayed by the touristic attractiveness of the proposed venue if costs are a secondary consideration. The same may hold true where a venue provides a social motivation such as bringing advanced techniques to a developing country.

Similarly, then, there is also some quite pronounced segmentation among groups of venues in terms of their attractiveness. For instance, cost-consciousness tends to recede (or attendance funding becomes possible) if a venue is strongly associated with new techniques, new equipment . . . in brief, the full range of professional motivation.

There are thus primary target groups among the range of congress clientele, as there are distinct differences in the attraction that certain venues hold for certain segments of the congress clientele.

The weakest link in the overall market picture relates to travel arrangements—the actual moving of delegates to the venue site and back to their homes. This is particularly true for North American destinations. In an age when—especially in Europe—mass or at least group travel has become the rule, delegates to all but the very largest and most popular congresses tend to be left to their own devices when it comes to travel arrangements. This, of course, again bears heavily on the cost image formed at the outset by potential attendants. Here North America constitutes a gray area between long-haul destinations, say, in Asia, and intra-European destinations. Given the distances involved, existing air route structure and current mass-travel movement patterns, it is possible to make arrangements for bulk or at least group movement of most European delegates to a congress in Asia from a central assembly point and thus at reasonable fares, with charter facilities at least in the realm of possibility.

Intra-European travel—often a matter of weekly routine among the probable congress population—presents neither cost nor other travel problems. North America, on the other hand, falls between the two extremes. On the one hand, it is relatively close to Europe and is reached by a large number of well-promoted direct flight routes, so that group or even charter arrangements from a central assembly point appear as an trying detour (and given legal realities, the most favorable charter-assembly points such as Brussels and Luxembourg do involve time-consuming detours). On the other hand, individual fares are considered high, and congress attendance from any one of the major European starting points is likely to be insufficient to permit special group arrangements.

Apart from these realities, only the largest of congresses tend to appoint “official travel agents” who will make the necessary movement arrangements for individual attendants, while visitors to smaller events are generally left to their own resources. Given the previously-noted trend toward smaller congresses, or at least a general preference for smaller events, the problem is likely to grow larger as time goes on.

In the case of the United States, travel arrangements include not only the actual trans-Atlantic movement, but also the need to obtain a visa, and quite possibly (if not probably) interline transfers at the port of entry. Clearly, the highly motivated delegate will deal with these problems. But organizers, concerned with attendance, must look to the reaction of the marginal participant in order to ensure the event’s success; and it is the marginal participant whose decision is at issue. Some of the larger multinational travel agencies have begun to create special congress-travel departments to provide at least expanded services to meet some of the points mentioned above. However, almost by definition these are organizations that have suffered in their overall activities from the competitive onslaught of the “new” mass-travel organizers and tour operators, and they are in the process of evolving means of meeting this competition as they gain new strength.

Thus, worldwide coordinating capabilities are still accompanied by structural and operational problems, which are reflected in the innovative congress-travel activities of such companies. Some discussion has been devoted in this report to the problem of travel arrangements,³ both because it is important in itself, and because it illustrates the overall impact of the basic mechanics of congress organization on the success of an event. In addition, it has special bearing on the specific marketing problems that apply to venues in the United States, and in North America as a whole.

³For further discussion of the important topic of travel facilities and costs, see chapter XII.

I. DEFINITIONS AND MARKET SEGMENTS

The present study addresses itself solely to the non-governmental or **private sector** of the international congress, conference and meetings market, and excludes the specialized sector of inter-governmental meetings whose venues tend to be decided primarily on the basis of political factors.

Given the realities of the international market, stress is placed on the terms **congresses**, **conferences**, and **meetings**, all of which carry a connotation of a serious working purpose, of an exchange of views and of information. Such events constitute the bulk of the present-day international meetings market and are at the core of the system of continuity or tradition in that market that has emerged over the past two decades. The terminology is one that is preferred by all concerned (to some extent because it provides, in most countries, a semantic assurance of tax deductibility of costs incurred by the participants).

In contrast, the term "convention" carries, justly or otherwise, a largely negative connotation in the international market, suggesting large-scale events at which **festivities** overshadow any professional or other work-related purpose, and at which delegates are "talked at," with minimal participation on their own part.

Overall attendance evaluations suggest that the term **congress** may be applied to meetings upward of 80 participants, but no attempt is made here to draw any specific size parameters or to link size to terminology. By the same token, no minimum-attendance limits are placed on the study's coverage, in part because there is an active and dynamic small-meetings market, but most important, because a successful small meeting or seminar at a given venue can readily generate the same sponsor's larger meeting or congress at the same place. Venues acquire reputations that tend to be perpetuated among both meeting organizers and participants.¹

MARKET SEGMENTATION

1. Demand Sectors

An initial breakdown of demand criteria by the primary market segments is presented in table 1-1. The demand criteria set forth are among those most frequently noted by congress organizers as bearing upon venue choices (even where any actual choice is highly restricted to invitations received).

Although the three-point scale of criteria is subject to exceptions, it is set forth as a consensus of both administrative heads of international associations and professional congress organizers.

There are necessarily contradictions: for instance, associations with a social-service purpose tend to see a need for long-distance travel by congress participants as a deterrent, yet this

¹Interestingly, a Danish source calculates association membership among professionals and other steady congress participants at 3.5 associations per person.

Table 1-1.—Major Market Segments and Related Demand Criteria

Market Segment:	<u>Demand Criteria:</u>										
	Travel distance (cost) is a consideration	Time spent away from work is a consideration	Overall attendance cost is a major consideration	No narrow cost limitations apply	Attractive venue important	High tourism motivation	Social purpose; innovative motivation	Good accommodations; good hospitality	Low-cost (campus) accommodations	High-level "name" speakers	Exhibits
Traditional professions (medicine; law)	U	I	U	I	I	I	I	I	U	I	I
Pure sciences	I	I	I	U	U	U	I	U	I	I	N
Behavioral sciences	N	N	I	U	I	N	N	N	U	U	U
Social services	I	I	I	U	U	U	N	N	U	U	U
Industry and commerce	U	I	U	I	I	N	U	I	U	U	I
Travel and tourism	U	I	U	I	I	I	U	I	U	U	I

Legend: I — Important criterion.
 N — Criterion of relatively neutral decision impact.
 U — Unimportant, not applicable.

deterrent recedes into the background if there is a social purpose to such travel (e.g., allowing participants from developing countries to attend meetings in or close to their home country).

The presence of exhibits constitutes a gray area, for associations tend to welcome them as a useful source of revenues to cover congress costs, but for the most part assigning no more than a "mild interest" value to the participants as such.

Basic demand segmentation thus tends to follow lines of professional, occupational or avocational concern or interest, but the decisive common denominators are, within each demand segment, the congress participants' disposable income, available time, and overall lifestyle. (The latter consideration would center on a mixture of such factors as professional or occupational dedication, travel propensity, and expectations of professional and/or more personal benefits to be derived from congress attendance—including the pleasure of travel, of a change of surroundings and so on.)

It is important to bear in mind that the decision-making factors outlined here operate at two successive levels:

1. They influence, to a considerable extent, an association's initial evaluation of a given congress venue. Although a secretariat's decision-making scope in this respect is limited, it is evident that an association secretariat will make its views known if it has real misgivings that a given venue will result in either a highly successful or unsuccessful congress.

Thus, one of the criteria an association secretariat must apply (and live with) is its own evaluation of the expected attendance at a given event. This will determine per-capita costs, which must be estimated in advance, with actual per-member charges to be set at least three to six months before the event.² The secretariat's role in the venue evaluation process is thus crucial and continuing.

2. Individual association members remain free agents as to congress attendance or non-attendance—until they must make a final personal commitment. At this level, the venue as such, and all other arrangements, including the substantive program offered, are the basic ingredients of a decision to attend or otherwise.

In this sense, then, the association secretariat is in the position of a wholesaler who must assemble the components of a single product on whose success at the “retail” level he will stand or fall. Thus, each demand segment is exposed to a dual market operation, and in each demand segment the impact on the various demand criteria differs. A professional association with high-income membership may hold a well-attended congress with a mediocre program at a highly attractive venue, while a pure-sciences congress in the same circumstance would fail.

The demand criterion “social purpose/innovative motivation” in the preceding table is one relatively strong indicator of particular groups of congress participants' readiness to accept new venues that may involve long-haul travel, provided that there is a social or professional justification for this choice. In essence, it has meant that such groups—primarily in medicine, pure and applied sciences, behavioral sciences and social action in general—have come, increasingly, to accept an inter-continental rotation of venues (in a five-year cycle it would typically be one year each America, Asia and Africa; two years Europe). The specific purpose of such a rotation of venues is to bring their knowledge directly to less developed countries and to permit interested persons from those countries to attend at least an occasional congress without incurring great, often prohibitive costs. Also, gaining first-hand experience in their professional field on a worldwide basis is often a motivating factor.

The sub-category “innovative motivation,” similarly, tends to draw associations that have traditionally met in Europe to seek first-hand insight into new techniques and processes, particularly in North America and in Japan.

There are indications that the parallel demand categories under discussion here have received a substantial impetus from (as well as toward) Eastern Europe. Here the key factors are, on the one hand, a desire for closer East-West contacts and, on the other, action by international associations to select Eastern European venues in the realization that scientists and professionals from Eastern European countries cannot readily travel to the West. In this context, Hungary appears to have been particularly active in promoting congress-organizing services, with indications of some success.³ There are also early indications of growing interest on the part of Rumania.

Special attention, both here and in later chapters, is also given to the specific demand criterion which has been given the somewhat ambiguous category title of “high-level ‘name’ speakers.” This rests solidly on the attendance attraction of leading authorities and innovators in the field concerned, especially medicine and the sciences, if new research findings, techniques, and so forth are to be presented. Where that is the case, travel distance and, within reason, costs, can become secondary factors in determining participation. In

²Many congresses offer lower early-registration fees and an inducement to the commitment decision.

³The Hungarian national government tourist organization, IBUSZ, maintains a congress department.

other words, the leading sponsor's and speaker's reputation alone can become the primary attendance determinant—a point of which organizers of self-generated congresses and symposia (see Section 2b.) outside the established network of international-association events are especially aware.

2. Supply Sectors

a. Conventional Facilities and Events

This sub-section is primarily concerned with congress and meeting venues and facilities that serve the network of regular periodic congresses and similar events. These events are normally subject to substantial advance planning and lead times, and in some cases, to a degree of specific rotation among venues, particularly where a tradition of worldwide venues has developed or is evolving.

The competing segments involved and, where applicable, their primary sales channels, are best illustrated in schematic form, as shown in chart 1-1.

The initial lead position of professional congress organizers is relevant only in the instances when they are the first point of approach by (or to) an association or other congress sponsor. As indicated by the vertical lines, there may be special commercial ties in cases where such organizers also act as sales agents for national congress organizations, individual towns or facilities and, in rarer instances, hotels.

The basic picture, however, is one of mutually competing entities at a variety of levels and with a variety of marketing involvements. Thus national agencies try to attract events to a given country, leaving the next level of choice—the specific venue—to the potential client and to localities and/or individual congress facilities in the country concerned. This procedure tends to vary from country to country, and since it is a matter of substantial concern for this study, it is discussed in detail in chapter IV.

At the next level, that of individual towns or facilities, there is, in Europe at least, a broad range of umbrella organizations and, in some cases, of joint or cooperative sales channels. The former, such as the European Federation of Congress Centers or the Association of Swiss Conference Towns, tends to be a form of trade association with only secondary (if any) sales functions beyond arranging for joint promotion. Equal space is given all participating towns or facilities (e.g., Association of Swiss Conference Towns).

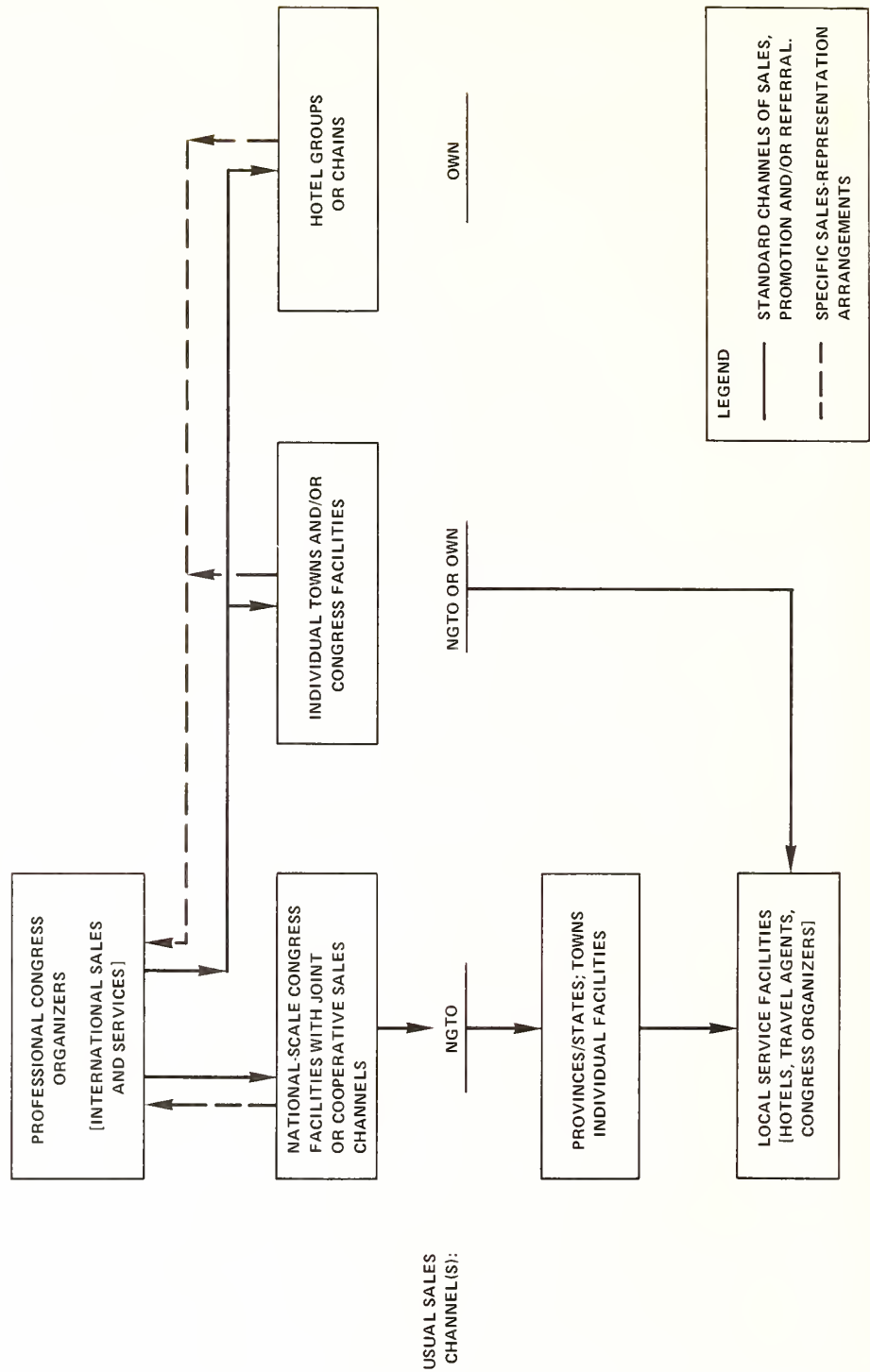
Joint sales channels comprising selected towns have been established in France and in Germany, and while details are discussed in chapter IV below, it is noted here that both France-Congres⁴ and the German Convention Bureau tend to a policy of eliciting as much detail of requirements as possible from a potential client organization. Suggestions as to alternative venues within the country that are likely to best meet those requirements are then made. Both maintain their own domestic sales organization and have relatively restricted sales facilities abroad at selected offices of the respective national government tourist office.

In both instances, a more effective sales drive abroad awaits internal reorganization. In the German case, the national carrier, Lufthansa, participates substantially in the sales efforts, in large measure through distribution of a handbook that lists facilities under a number of criteria headings (e.g., facilities at large, medium and small towns, by regions, type of surroundings, and so forth) designed to help the potential client to make a fairly narrow pre-selection of possible venues.

⁴Currently providing a joint sales channel for 16 cities and towns, with 3 more expected to be added shortly.

CHART 1-1

Competing Segments in the Congress and Meetings Facilities and Services Supply Sector



Some of the major international hotel chains, and some smaller hotel groups or individual hotels, also compete actively in the congress and meetings market. This is done partly through their own sales offices, but primarily through broadly-based general promotion (mainly through professional and business journals). Smaller meetings and seminars are the primary target. The larger entities in the hotel sector are evolving in the direction of sophisticated facilities, including audio-visual equipment, multi-channel interpretation and closed-circuit television—major investments that are likely to lead to even more determined sales efforts. At the same time, major hotels can provide space for simultaneous, parallel meetings—a feature that appears to be in growing demand, particularly in the segment of scientific congresses. Finally, the hotel sector offers, by definition, integral accommodation facilities, thus meeting the preferences of a significant number of congress sponsors who fear spread-out events that threaten “to fall apart” as participants get lost, delayed, or are simply tempted away.

Nevertheless, the realities of venue decision-making in the international associations’ congress and meetings circuit suggests that the choice of a specific site, and certainly that of a specific meeting facility, is usually in the hands of the host—the national association. That choice may be made in advance and be conveyed as a part of the formal invitation,⁵ or it may be made after the national invitation has been accepted. In this light, the **national sales effort**, that is, the basic effort to foster congress venues in a given country, is realistically the one with primary impact.

There is as yet no appreciable role by travel agents in the sale of integrated congress or meeting packages, but some form of forward integration from their present travel-organizing role may well be attempted in the future of particular value are their skills and experience in the organization of incentive and study travel as a point of departure.

Individual localities—acting through local tourism-promotion boards—and individual congress facilities (especially those opened recently) show a tendency toward increasing activism in the direction of full congress organization. In the most recent instances—for example, the new International Center in Paris⁶—there is also a strong trend toward simultaneous construction of integrated hotel facilities. Here the hotel accommodations and the congress facility are under common management, and a totality of congress-organization services can thus be offered. Such integral facilities will, by 1976, exist, among others, at Birmingham, England; São Paulo, Brazil, and Montreal. In Austria, the local Salzburg tourist board, for instance, assumes full responsibility for organizing facilities and accommodations for one of the two periodic congresses of the International Society for General Medicine—an event held traditionally at Bad Ischl, nearby.

Little importance need be attached to certain systems of “cooperation” and interchange of information among certain competing individual European congress centers, either within the framework of the Federation of European Congress Centers or on a bilateral basis (e.g., between Paris and Hamburg). The interchange, based on the fact that a given congress once held at one venue will not return there for a number of years,⁷ consists primarily of passing on attendance lists and organization specifics with the apparent aim of allowing the other town to draw up plans that will best meet the needs of the client association and thus be found the most attractive. The long-term aim is to prompt such associations to set up a

⁵In one instance, however, an international professional association received and accepted an invitation from its national chapter in Canada, with a proposed venue in an eastern city. The executive committee subsequently rejected the actual site suggested and chose a venue in British Columbia.

⁶Interestingly, this has attracted strong financial backing from the Magasins du Louvre department-store group—now primarily a holding company seeking new investment outlets.

⁷A minimum ten-year rotation period is generally mentioned in this context in both the demand and supply sectors of the market.

“traditional” congress circuit. Given current lead times and the realities of venue selection, this procedure appears to be of doubtful practical value.

b. “Self-Generated” Events

Although the bulk of the study’s scope centers on the established circuit of regular periodic congresses and meetings, every effort was made to give due coverage to the on-going field of ad hoc events that are generated and carried out by actual congress facilities. They therefore cast themselves in the role of both congress sponsor and congress organizer, though in some cases some form of national or international association-sponsorship may be sought as a supporting move.

The basic thrust here is to assure maximum occupancy of available meeting and exhibition resources, primarily through innovative congress creation. The selection of theme or topic is thus of crucial importance, as is the selection of those key participants and speakers whose name on the list of proposed events will assure adequate general attendance. New developments in the sciences, industry and other fields—developments that may not fall neatly within the purview of established associations—offer some scope to the organizers concerned (Among the topics of events explored later in the study are laser application in medicine and industry, containerization of cargo, the application of systems analysis, and so forth).⁸

In the longer run, one of the key problems is to attain a balance between the obvious impetus to seek to institutionalize such events—to repeat them at regular intervals and at the same venue—and a basic necessity to space them in order to maintain a high level of substantive originality. These are primary guiding considerations during the initial event-generating phase, for any overriding rush to attain maximum occupancy of facilities can result in over-scheduling that is detrimental to the long-term success of the events concerned.

In essence, such events are very much on the periphery of the field of this study, primarily because, once established, they do not “travel”. On the other hand, the basic idea of creating new events, particularly if they can be tied to a certain venue, appears to lie very much within this study’s terms of reference, even if the organizing facility’s own scope of activity requires substantial broadening in a variety of creative and organizational directions.

Clearly, self-generated events need to be on a scale sufficiently large to draw the support of local hotels, travel agents, and other ancillary services whose availability is virtually essential to the success of the event in terms of a wide and truly international attendance.

In all the respects outlined above, such events differ from another area of *ad hoc* events—mostly small meetings and seminars—that focus on special subjects of topical interest. Their market impact is usually fairly small, often because they are organized at short notice, and the events rarely warrant any significant attendance. Where there is a measure of international interest in a topic, the event itself will “travel”: for instance, the World Aerospace Conference, first organized in London by *The Financial Times* in May 1974, was repeated in San Francisco in October of the same year, with *Aviation Daily* and *Aerospace Daily* added to the original sponsoring journal.

⁸ Among leading practitioners in this innovative field are the Munich Fairs and Exhibition Corp. and the new Bella Centret in Copenhagen, Denmark.

3. Market Geography

The study concentrates first and foremost on that part of the international congress and meetings market that is **not**, by definition or organizational structure, limited to venues in specific areas or regions that automatically exclude a United States venue. Nevertheless, due account is taken of the fact that:

1. Associations with a geographically-defined membership (e.g., intra-European) can and do meet jointly with their non-European counterparts (e.g., the British Association of Urological Surgeons and the (British) Association of Surgeons will meet jointly with their Canadian counterparts in London in 1976); and
2. There is a valid and highly constructive basis for laying the groundwork for possible future U.S. venues, by inviting key individuals from abroad to attend national conventions, congresses and seminars either in the United States, or at similar events attended by leading U.S. participants in other countries.

In brief, there is a degree of consensus both overseas and in North America that professional contacts and exchanges of view, regardless of their formal framework and related terms of reference, are major contributory factors to an eventual **internationalization** of regional or national events.

The topic of **geographic preferences** is one of extraordinary complexity. It relates to a fine balance of internal association politics and, equally important, to a series of assumptions and perceptions by association decision makers (boards, executive committees and so forth) possibly tempered by the advice of the association secretariats concerned. These assumptions and perceptions hinge, basically, on two questions: (1) Will a given venue draw an adequate attendance, and (2) will that venue permit efficient organization of the event? The proviso "other things being equal" should be entered here, for additional considerations may arise (if, for instance, key speakers or participants are in any way linked to a given venue).

The first question—will a given venue attract an adequate (breakeven or better) attendance—is answered differently in each substantive sector. But the outline parameters tend to lie, on the one hand, between the pure scientists' preference for a university site that is either conveniently reached or holds special attractions that would warrant farther, costlier travel; and on the other, the practicing professions' preference for a venue that in itself holds a strong touristic attraction. The intrinsic touristic merit of the attraction appears to play a stronger part than peripheral touristic opportunities (in the form of pre- or post-congress travel), unless such travel can come under the heading of stop-overs en route to or from the congress venue. Most associations are concerned with time restrictions on their members' activities, but are very much aware that certain venues offer unique opportunities for the type of "en route tourism" mentioned here.

There is broad consensus among association administrators and professional congress organizers that, in the general tourism context, prime venues coincide with the prime destinations of present-day long-haul tourism. This is a coincidence that tends to deflate the separate negative aspects involved. The relatively high cost of travel to a congress at what may be called a long-haul venue is offset by the professional aura of attending the congress itself; the need for long-haul travel is offset by the opportunity of seeing far-away, perhaps exotic places, or of visiting such places because they are on the way.

There is, then, at least a strong attraction for European participation at congresses in Japan and Australia because both destinations permit a round-the-world trip without any extra

cost, or with only minimal additional fare. Established tourism trends, development efforts, and promotional activity in Singapore, Hong Kong, and Jakarta (Indonesia) suggest that these will shortly become strong contenders in the long-haul congress market since they are within (or close to) the mainstream of European long-haul tourism thereby tending to make them favorite venues in advance.

Next in attraction appears to be North America—both the **United States** and Canada—with a relatively strong bias toward the Far West that, again, broadly matches prime preference in the European tourist market.⁹ Here, the cost differential compared to a tourism visit to the eastern part of the continent can be readily justified by the professional benefits of congress attendance. Thus even associations that stress their members' cost-consciousness see West Coast venues such as Seattle, San Francisco and Vancouver as “highly attractive” when all relevant factors are weighed.

Mexico, heavily promoted in the congress circuit and subject to local direct or indirect subsidies and related inducements, is deemed attractive because local costs are believed to be low and—again—because it has developed a strong touristic attraction in the European market. Similar weight probably attaches to East Africa, whose touristic attraction has been well-promoted (particularly by European tour operators)—a promotion that can readily be extended to the congress centers under development in Kenya and Ethiopia.

Paris, London, Amsterdam, and Copenhagen have special attractions that make them highly desirable venues for all but the purely academic market segments. They must thus be deemed highly competitive with both the long-haul segment and with the bulk of the other market segments that cannot readily reach beyond Europe. Also an additional practical organizers' attraction exists in the fact that they will draw a strong American attendance in many cases.

Tourism-related considerations aside, any discussion of venue sites raises the second key question: Will the venue permit efficient organization?

The answer to this question is subject to strong segmentation among the sponsoring associations. In broad terms, financially strong and well-staffed professional or industry associations tend to rely on in-house organizational resources. Given acceptable basic congress facilities and accommodation, they feel that they can organize and run a successful event virtually anywhere in the world, and can provide their own on-the-spot technical services wherever they may be needed.

Other associations, however—and this applies to the great majority—must give full weight to organizational considerations and are essentially faced with two options:

1. Reliance on the national host member to deal with every aspect of the prospective event's organization; or
2. Making use of locally-available professional organizing services.

The latter option tends to be costly and, unless the professional service concerned is a known entity to the association, its effectiveness may be uncertain. As a result, there is a tendency to favor venues where: (1) available organizers are known to be satisfactory, (2) a local convention bureau (within or outside the national government tourist office network) will assume full organizational responsibility, or (3) a specific meeting facility can provide such an integrated service.

⁹The inherent attraction of the North American West tends to be tempered in actual tourism performance by such factors as the numerical weight of VFR (visiting friends and relatives) travel and by the higher cost than that of a visit to the continent's eastern section.

In a partial response to these considerations, a number of professional congress organizing services have evolved in or near countries where there are concentrations of international associations. In other words, the stress is on proximity to the client rather than to the facility concerned. Concurrently, such organizers have begun to provide consultative development services to selected (usually distant) congress facilities so that they can match client service at home with actual performance at the venue site. The circle tends to be completed by the organizer's also handling the facility's sales in the association market.

Therefore, the organizers can usually provide services wherever required by the client association, regardless of interlocking sales arrangements (obviously entering into play where there is great venue flexibility, e.g., in the context of commercial meetings).

Thus, one element of market geography is closely linked to service availability, and while it must be stressed that association secretariats are only rarely the ultimate decision markers in the choice of venues, their advisory influence should not be underrated.

II. THE MECHANICS OF VENUE SELECTION

1. Introductory Note

It is evident that in a field as heavily segmented as that of the international congress and meetings market, there are almost as many individual practices and methods of venue selection as there are user entities. Nevertheless, the most common practices and methods can at least be grouped in broad categories, with the proviso that each set of standard practices described is subject to exceptions, and to *ad hoc* departures from any stated norms.

It is important to stress that the bulk of the market's demand segments comprise entities with a broad range of substantive functions. They include professional or scientific liaison, the publication of periodicals, information-clearing house functions, lobbying for international standards—in brief, a broad range of activities. In this spectrum, the organization of periodic congresses and meetings is incidental and (as in the case of corporate users of meetings and symposia) largely subordinate to substantive activities rooted in the association's, group's or company's field of work.

Secondly, in the instances in which international associations have fixed permanent secretariats, these tend to be quite small offices both in terms of premises and staffing. Typically, the majority of such secretariats consists of a secretary-general, with one or two clerical assistants. Associations in the fields of trade and industry are likely to have somewhat larger staffs and premises and may have one person who is specifically charged, among other duties, with congress organization as a priority task.

In a number of instances, an international secretariat is established in care of an appropriate national association. In such cases, premises and staff facilities may be on a fairly large scale, but in effect the international-secretariat functions become a part-time, peripheral chore. Brief mention has already been made of the rotating or "floating" secretariats of generally smaller, highly specialized associations—usually in scientific or medical sub-specialties. In these instances, the secretariats either change hands at each congress, moving to the national member-chapter or society in the country of the next venue, or shift periodically to a distinguished member of the profession or to a leading (research) institution in the field. In such cases, there is often overlap, with one person holding the secretarial post for two or more related sub-specialty organizations.

Therefore, often a noted person in the field concerned with a full professional and/or teaching schedule is thus also the named administrative head of the secretariat organization. In practice, the bulk of the work is handled by a clerical assistant (usually with an equally full work load).

Such cases account for a roughly-estimated 30 percent of the total international congress and meetings market in terms of number of events, and approximately 15 to 20 percent of that market in terms of persons attending. As expected lines of responsibility tend to be blurred. Wherever possible, organizing work connected with a congress, symposium or seminar will be shifted to an organizing committee composed of professional colleagues or faculty members with a proven organizing ability. Quite possibly, the load is shifted to juniors with more time available and the impetus to "make their name" in the field through

organizing a successful meeting event. In many instances, these, as well as other considerations relating to physical plant and service facilities, will point strongly to a university-campus venue.

In the area of corporate meetings, whether with a commercial, training, development, or similar purpose, either a meetings department or the substantive operating department concerned is the primary (and usually also the ultimate) decision maker who must apply the appropriate criteria in venue selection. These criteria include client location, accessibility to participants, and availability of internal meeting and accommodation facilities, with heavy stress on the hotel sector.

Finally, mention must be made of isolated instances in which certain specialized associations—for instance in the medical field—have established *ad hoc* or semi-permanent congress-organizing secretariats. These have primarily an implementing function only. They are found among relatively recently-established international associations whose membership consists of individuals in various countries rather than of national chapters or other forms of local entities. They are to be found, in particular, in settings where the individual members are in private practice and are not in a position to assume the burden of secretariat and liaison duties. In such cases, executive and similar governing bodies tend to meet fairly frequently to deal with all business matters. The organization of these meetings and of periodic larger congresses is then left either to the organizing (outside) secretary, who assumes these duties on a part-time basis¹ or, in the U.S., to professional association-management companies.

2. Initiatives and Decision-Making

Little need be said at this point about the standard procedure among the great majority, if not all, international associations of deciding on the venue of the next event. In formal terms, the administrative governing body—board, council, executive committee—will have on its agenda an item relating to the association's next venue. Advance circulation of the agenda will normally be sufficient to attract invitations, but in some cases associations will, in advance, issue a general bid to members (national associations or chapters) to submit invitations.

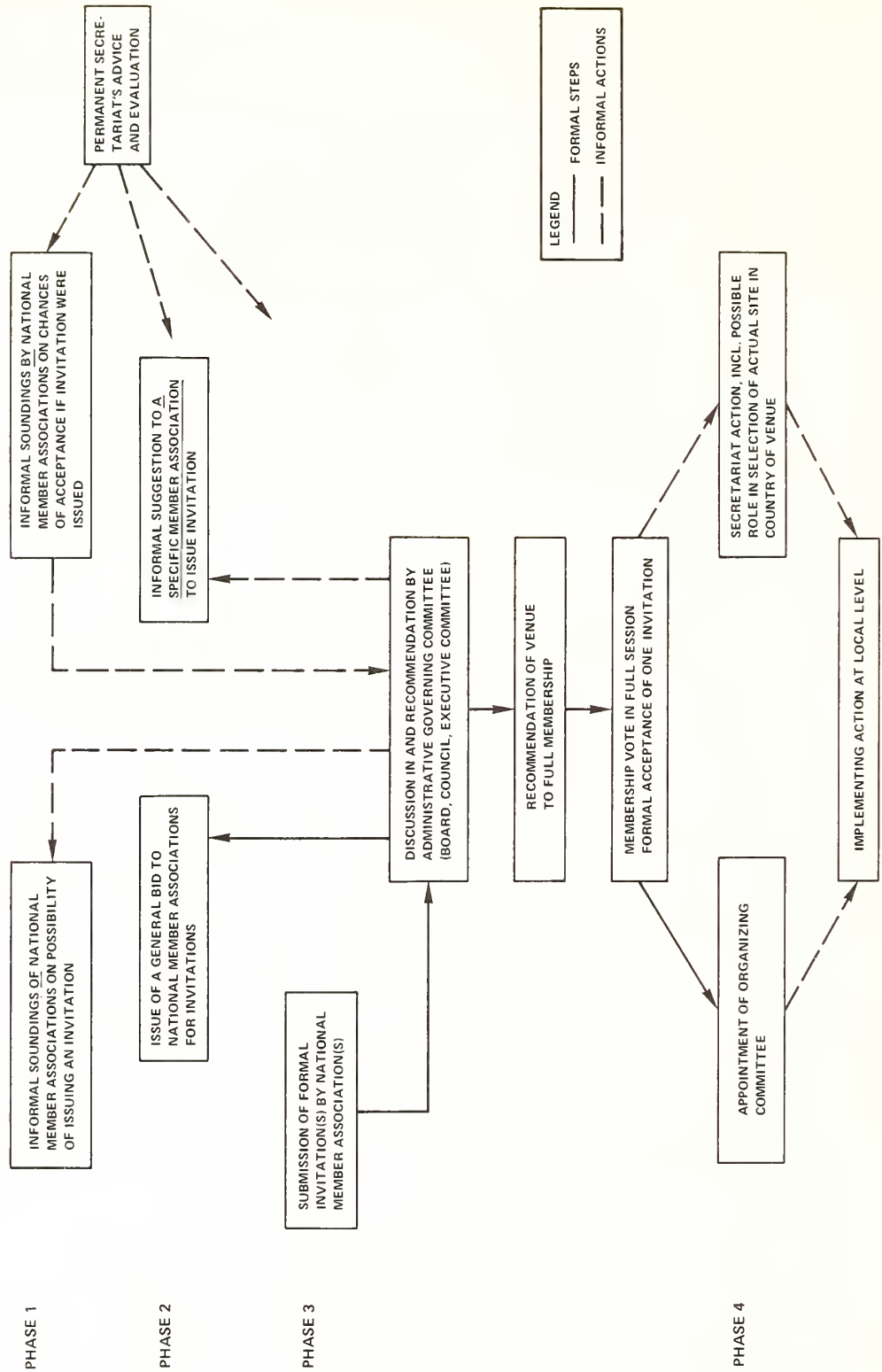
In practice, however, the process is subject to a broad range of variations at an informal level, illustrated in schematic form in the flow chart (Chart 2-1) on the following page. It should be noted that the chart represents a simplification of a range of intricate and often delicate processes and necessarily omits special instances or circumstances which will be discussed in the narrative. Clearly, certain of the steps and actions shown are alternative rather than parallel lines of procedure, depending on the circumstance of the moment and often on the degree of interest by the parties concerned in the subject of venue.

Until recent years, all but the largest international associations with commensurately large congresses tended to note some difficulty in receiving spontaneous invitations for a next venue. In such cases it was common practice for a member of the governing body or an appropriate sub-committee to approach selected national-member associations to stimulate the issue of an invitation. Selection of the members would be based on four basic criteria which have lost none of their validity:

¹A case in point is the International Society for General (medical) Practice, whose organizing secretariat was, until recently, handled by a businessman with offices near Stuttgart, Germany, but has now passed to an attorney in Klagenfurt, Austria. Interestingly, the former organizing secretary drew substantially on certain specialist services, such as interpretation, that could be readily assembled at Stuttgart University.

CHART 2-1

Schematic Representation of Principal Steps in the Venue-Selection Process of International Associations



- a. Organizing capability of the national association
- b. Suitability or attractiveness of one or more potential venue sites in the country concerned
- c. Financial strength of the prospective host organization
- d. Particularly in the professions and sciences, availability at the venue of one or more persons notable or famous in the event's substantive field.

As a variant on item (c)—financial strength of the host organization, required to bear the often substantial organizing costs, not recouped until the event—local, national, or related subsidies or incentives might strongly enter into the picture.

Nevertheless, the basic thrust of the action and the underlying considerations was to elicit at least one invitation. Once that had been received, the formal process of submission, recommendation and vote could run its course.

As a matter of contemporary historical trend, associations mounting larger congresses now tend to face a pronounced **reversal** of the situation illustrated above. Invitations now tend to flow in spontaneously, and in many cases in numbers that are beginning to make for a degree of forward congestion, or **extended lead times**, of future congress planning. This growing problem arises from the fact that few international organizations will actually put competing invitations to the vote, whether in executive committee or in full membership meetings, primarily in order to avoid a situation in which a proposed venue is actually voted down.

Thus, the politically more acceptable solution in such cases is to accept a reasonable number of invitations in the order in which they are received (or some other order relating to venue-rotation policies), so that three invitations received now will mean a single decision on the next three venues. In the not uncommon case of quadriennial congresses, the venues for the next twelve years may thus be decided on and the time slots covered.²

The relative abundance of invitations at the present is primarily a case of “new facilities in search of an event.” The realization that congresses and meetings are economically desirable—the more so when tourism growth is in a static period and with greater impact where there has been overexpansion of hotel facilities—has led to a chain reaction of pressures. This is especially true in countries where congress facilities had been or are being expanded over what appears to be the key period from 1973 through 1976.

International associations' desire to avoid debate and full-scale venue competition in such open forums as full membership meetings does not signify a complete absence of outright venue competition (or at least of related undercurrents) in a less public setting. In other words, this competition usually takes place informally among association officers, or in closed committee.

Here it is important to distinguish between two competitive levels. One of these relates to the “social purpose” category of venue attraction already discussed in a different context in chapter I, while the second is more truly competitive in the conventional definition of the term.

²In some rare cases, for instance that of the International Federation for Information Processing (IFIP), some decongestion is achieved by combining two invitations into a split congress, e.g., in Japan and in Australia in 1980, with an effective lead time of six years in this case of triennial events.

The term "social purpose" had previously been used to describe a broad criterion that includes, among others, the opportunity that a venue in a less-developed country affords regional or local professionals or scientists to attend without incurring heavy travel costs. Such factors sometimes favor a venue, for example, in Eastern Europe. In the context of the present discussion, these considerations become competitive factors that can carry substantial persuasive strength, for they may play on western professionals' or scientists' guilt feelings about their relative affluence or freedom of movement. In brief, this category is isolated here because of its partly emotional content. Although a statistical evaluation is not yet possible due to reporting delays for 1976 and later years, both international association and broader institutional or industry sources note a substantial increase in future venues in the countries of Eastern Europe other than the Soviet Union. At the same time, an increasing number of associations note at least a desire to establish a system of continental venue rotation to allow greater participation by members in less-developed countries.

The area of competition in more conventional terms centers on two of the basic venue-selection criteria noted at the outset of the present section, namely the organizing capability and the financial strength of the national (prospective host) organization. In the context of the actual decision-making mechanics, it is both the substantive form and the manner of presentation that take on special practical significance.

A number of countries have set out to attract the largest possible number of international congresses and smaller meetings (particularly symposia and seminars) by encouraging national bodies to paly host to "related" international associations. The somewhat involved means by which this policy is achieved are set forth in the following sub-section.

a. Government Initiatives and Implementation Support

Through a variety of means discussed later in this report, certain governments have adopted an active role in encouraging national members (associations, chapters or individuals) of international (prospective host) associations to extend to the international (congress) body an invitation to a congress venue in the country concerned. Since this chapter is concerned with the central decision-making process at the international level, the ensuing discussion deals solely with ways and means by which the governments involved seek to assist in influencing that decision.

A variety of action levels are involved here and, almost inevitably, they range from that of hard-core substantive research and preparation to that of showy promotional efforts. Receptivity and effectiveness thus vary widely among various types of international associations, though it might be noted that a "positive" reaction to promotional fanfare is, at best, a pained and tolerant smile.

i. *Substantive Action Levels.*—In broad terms, supportive government actions at the substantive level address themselves to two parallel areas of concern—

To overcome the reluctance of national organizations to assume the burden of organizing and hosting an international congress; and

To impress upon the international association concerned that the proposed congress venue is an optimal choice and that a range of stated organizational and support services will be available to ensure the financial and substantive success of the event.

In essence, then, the proposing host government—usually through its national government tourist office, alone or in conjunction with provincial, state and local bodies—offers to

supply professional or para-professional organizing services. This is done directly, or indirectly, through referral to a professional organizer responsible to the host body.³

The subsequently-described actions tend to be elaborate, time-consuming and often costly. It is thus more or less accepted practice that a would-be host association will, as a first step, informally sound out the international executive committee or similar body and/or the association's secretariat in order to ascertain whether a formal invitation might be favorably received. In some instances, this approach is dictated also by considerations of national prestige and an overriding need to avoid any affront through a formal negative recommendation or vote later in the decision-making process.

There is also a growing trend toward the submission, with the formal invitation, of an **organizational proposal**, setting forth in varying degrees of elaboration, as much detail relevant to the proposed congress as can be provided in advance. Usually, such information will at least cover—

- Meeting facilities, possibly at various potential venues within the host country;
- Range of accommodations available;
- Technical equipment available and/or to be supplied;
- Draft budget for the event;
- Hospitality arrangements;
- Accompanying persons' programs;
- Travel facilities and incentives, including possibly special fares;
- Direct or indirect financial incentives (e.g., free meeting facilities; reduced-rate hotels, etc.).

Where appropriate, an invitation for a pre-congress visit by secretariat officials may also be extended.

This type of proposal may be prepared by the national government tourist office, probably in conjunction with specialist branches or services at its disposal. In the most elaborate version, the inviting organization may be encouraged to set up an *ad hoc* organizing committee at the national level (financed, and possibly staffed with NGTO help) as a model of the national association's organizing capability. The purpose of such an action is to clearly convey the fact that a mere change of title upon formal acceptance of the invitation will bring the actual congress-organizing committee into existence, full-grown and with all ground work already accomplished.

The proposed result of this type of action is an assurance to the proposed congress that (1) the success of the forthcoming congress will not depend on the possibly frail organizational and financial resources of the proposed host association; and (2) that the resources made available will ensure a successful congress and thus, by definition, one with low cost to participants and/or profitable to the international association.

There are variations of the formal proposal route; wherever practicable, for instance, the Irish Tourist Board will have one of its meetings specialists accompany the national member who formally submits the invitation. Optimally, the NGTO representative will address the

³In Singapore, for instance, government support is likely to take the form of both financial assistance and local personnel services to work on organizational detail. Manpower is plentiful, and national-honor motivation is strong.

decision-making international meeting to verbally explain all relevant detail, and he will make himself available for consultation with committee and secretariat members.

The countries most consistently mentioned in the context of the submission of detailed congress proposals worked out with varying degrees of government assistance are **France, Israel, Japan, and Mexico.**

However, beyond this short list of countries whose efforts appear to have made the deepest impression on all sectors of the market, others should be added. Mention has already been made of **Ireland**, and **Singapore**, is developing similar approaches with outside professional assistance—a route that **Indonesia** and **Ethiopia** are also likely to take.

There are, of course, varying degrees of official support. Toward the lower end of the scale are found such practices as placing at each association delegate's seat at the full membership meeting (at which the next venue will be formally accepted) a sometimes formidable packet of literature on the country or site of the next congress venue. These packets are flown in free of charge by the proposed host country's national airline, usually with the assurance that it will be appointed the "official airline" of that congress. (At a large congress, some 10 tons of literature may be involved.)

ii. *Promotional Devices.*—Promotional devices, or perhaps more properly, promotional fanfare, tend to take the form of a "national evening" hosted by the delegation extending the invitation to the next congress. This may take the form of a varying mixture composed of a "typical" national meal, national music and/or dance, and so forth—as a fore-taste of the delights to come when the next congress convenes in the country concerned. The prime purpose appears to be to promote attendance at that next congress among the participants present, but especially among accompanying persons whose attendance at each succeeding event is largely dependent on such factors as available entertainment, shopping, and sightseeing.

This type of approach tends to get a fairly **negative** reception from the elected and permanent officials of that great majority of professional and scientific associations that constitute the backbone of the international congress market and that tend to place considerable value on their serious purpose. Thus, undue promotional fanfare of the type described may well be counter-productive, especially where accompanying-persons entertainment plays only a minor part in determining congress attendance.

b. The Role of Secretariat Initiative and Discretion

As already indicated on the preceding flow chart (see page 24), the secretariats—certainly those of major international associations—play a part, however informal and consultative, in their organizations' venue-decision process. This role is direct and immediate in the case of permanent secretariats that have developed a definite power base, particularly insofar as their own work is concerned. The secretariat may have to advise national organizing committees on such matters as procedures, requirements, financial modalities, and so forth. It is usually present and working at the congress itself, assisting in registration (if necessary), ironing out problems, and producing documentation. In brief, it provides the administrative core of the congress.

A major secretariat of an old-established association also tends to be a storehouse of experience, including first-hand information on earlier congresses at a given venue. Such experience tends to be drawn upon by the rotating membership of the executive committee or other decision-making body. Thus a secretariat can at least sway opinion among

committee officers; it can “inspire” a request for an invitation that may be addressed informally to a given national member or chapter of the association.

Finally, a secretariat that is conscientious enough to evaluate the venue-promotion material presented to it is likely to form opinions, views, and preferences. These opinions may play a major, if subconscious, part in the secretariat’s later informal advice to its governing body. The same is true of the effect of personal sales calls, particularly if these provide an opportunity to expand upon available services or incentives which are of substantive concern to a secretariat in the working setting of a major international congress.

Secretariats therefore tend to be the target of promotional efforts in the belief that they are the ultimate decision-maker. Although this is hardly ever the case, they do constitute the most effective pipeline to the decision-making process.

Quite different considerations, however, apply to the role of “floating” secretariats where basic administrative functions rotate among association members. The post of secretary (or secretary general) tends to be honorary rather than functional, with election of the individual often linked to the congress venue. Thus it is possible that a venue will be chosen because an effective honorary secretary general will be available in the country concerned. Furthermore, that person’s ability to attract noted speakers and, through university affiliations, open the way to a campus venue may play a decisive part.

Here, then, sequences are reversed, with the secretariat following the venue. This segment of the congress market is heavily weighted toward smaller, scientifically-oriented associations. Therefore sales calls and distribution of venue literature tend to have a minimum impact, since their targets are predominantly persons with a variety of pressing duties and interests who are not readily accessible and are unlikely to maintain files related to possible future events.

Here the basic steps of the venue-decision-making process retain their validity, however. While secretariat influence is virtually non-existent or at least not applicable, the attraction of a “package” offer that includes congress-organizing services is greatest. Such an offer may well prompt, a leading scientist, to assume the honorary secretarial post—with selection of his country as the next congress venue following more or less automatically.

Therefore, the role of association secretariats in the venue-decision process involves three mutually contradictory factors which operate at this level:

1. Association secretariats generally hold an informal advisory place and function in the process;
2. Association secretariats, however, are not (barring special circumstances discussed below) The ultimate decision makers;
3. Nevertheless, association secretariats constitute the only identifiable and accessible entities close enough to the decision-making process to serve as intermediaries in the market operation involved in venue selection (a means of bringing their organizations together with the supply sector of the market, congress venues and related facilities).

In terms of identifying the actual decision makers, the above definitions and factors are clearly at best neutral (if not negative), for they do not lead to a clear-cut, positive definition. The basic fact, however, is that no such definition is possible because “the decision makers” in the context of this discussion are an undefineable group that reacts rather than acts. They are a collectivity that requires the motivating stimulant of a venue

invitation before deliberating on its merits (and its political acceptability), even though they may take informal steps to obtain such an invitation.

The crucial point is that the group of decision makers is composed of persons normally engrossed in their daily professional or other activities. Their time-limited term in largely honorary position on one or more associations' committees or boards is very much of a peripheral activity.

For these as well as administrative and logistic reasons, the secretariats of international associations constitute, with few exceptions,⁴ the only feasible point of promotional and sales leverage that is sufficiently close to the venue-decision making process. Through such secretariats is the only approach worthy of any hope that the ideas and materials implanted will eventually bear fruit.

This line of reasoning is validated by the fact that it is usual for the international secretariat to assume sole decision-making powers if a sudden emergency prevents the holding of a congress at the venue chosen originally.

These powers—even if they are nominally shared with some elected officials of the association concerned—tend to be exercised with relatively growing frequency as the number of international congresses grow and as the trend toward venues in less-developed countries and original, offbeat areas gains momentum. As a result, there is an increased chance of unexpected events that may, at the last moment, prevent the scheduled congress: local wars, political upheavals, major strikes, natural disasters. Any of these conditions may require a last-minute change of venue.

In such instances, the permanent association secretariat must often not only decide quickly on a new venue, but must also carry the bulk of the new organizing burden. It must make its choice primarily on the basis of past experience, information materials and data at hand, and the availability of comprehensive organizing services that may be available at the sites to be considered. Clearly, other factors also enter into the picture. For instance, will the new site attract a sufficient number of participants, hopefully without too much of a feeling of having been “let down”?

With regards to site competition, an uneven situation prevails in such emergency situations. Often, organizational problems tend to influence secretariats to decide on a venue at or very close to their headquarters location, unless that is thoroughly unsuitable or unless time factors permit a thorough organizing job elsewhere.

Nevertheless, it is increasingly evident to association secretariats that they may be called upon to find and organize an alternative venue at relatively short notice and that they must thus be ready to play a determining role in such eventualities.

Somewhat similar situations may arise when an association receives a single invitation that does not attract its governing body, usually for fear that it will result in an unsuccessful or poorly-attended congress. In such cases, there is usually need for rapid consultation with the secretariat in order to determine a more desirable venue or venues, and then to informally “elicit” an invitation from the national chapter or chapters concerned.

⁴Leading medical persons and scientists might be considered an exception, for here is a likelihood that, in addition to being members of several scientific associations, they are members of the board or executive committee of at least one or two such bodies. Experience, however, suggests that approaches at this level are difficult, and that the logistics of association business are of minimal interest in their normal work setting, with little likelihood that any descriptive materials would be filed away against a future need.

III. MARKET MECHANICS

This chapter is designed to provide a sketch of the basic mechanics that come into operation within a given venue, covering the factors that affect the national (host) organizations on which so many of the venue selections themselves depend.

Although the sequence of presentation followed here is correct in terms of logic, it should be noted that the market forces, represented primarily by physical meeting facilities and by auxillary organizational services, will usually have come into play much earlier on an initial **pro forma** basis. In essence, then, the market forces to be discussed here enter into the picture twice: Once on the basis of feasibility (or availability) in principle, and the second time in the form of a commitment by the host organization, assuming that its invitation has been accepted.

As already noted in the preceding chapter, all but the largest national chapters of international associations (that is, all but those that are likely to have their own congress-organizing departments) are extraordinarily hesitant to issue invitations to international associations to which they are affiliated, because the host's role is considered to be extremely burdensome in terms of organizational work, time, and costs involved. As a result, the market mechanics—the selling and purchasing of the hardware and software of congress or meeting organization—operate at two distinct levels:

1. An exploratory pro forma level at which the potential host organization seeks what is basically a form of reassurance regarding the manageability of its proposed role; and
2. An implementation level at which the host organization enters into a phase of actual commitments.

The thrust of the findings suggests strongly that it is the **initial exploratory phase** that plays a key role in the process of creating a national invitation for an international meeting, and it is that phase that will be given primary attention here.

1. The Market Mechanics in the Demand Sector

The present discussion is essentially confined to the role and attitudes of national organizations or chapters that are **potentially** hosts to meetings of international associations and similar bodies. Extensive inquiries carried out in the course of the study among international associations, United States organizations affiliated with international bodies, and convention and visitors' bureaus in the United States, indicate a substantial degree of **resistance** among all but the largest of potential host organizations to playing such a role.

The reasons for this resistance most frequently cited are:

- a. The magnitude of the financial investment involved, even if that can eventually be recouped from meeting-registration fees and other income;
- b. Lack of administrative staff;

- c. Lack of association officers' time to handle organizational details;
- d. Lack of familiarity with the basic steps involved in setting up an international congress.

There is, of course, frequent overlap among the basic reasons noted above. An association may well have the capability of obtaining initial financing from foundations or from interested industry sources, but may be reluctant to commit the time and energy required to do so.

It should be stressed that the efforts involved in the above negative listing are, in the first place, only preparatory to the issue of an invitation. There is usually the added realization that, given long lead times, much of the work will have to be repeated once the actual congress arrangements have to be set in motion (assuming that the invitation has been accepted).

Finally, it is usual to submit an invitation in the form of a proposal that will normally include a certain amount of promotion for the venue concerned, covering its virtues and attractions—as aspect that again requires time and work.

The burdensome aspect of this preparatory work may be compounded if the proposed venue is to be at a location at some distance from the national association's headquarters (which in the U.S. tend to be clustered in New York, Chicago, and Washington, D.C.). In such a case, exploratory visits and local negotiations are necessary both in terms of organizational arrangements and in a promotional context.

Finally, the potential host organization will be expected to outline any available national and local incentives and possible commercial financing (e.g., through leases of exhibition space) in order to establish probable financial parameters for the congress.

The specifics outlined above vary, of course, from one organization to the next, but the general process described here reflects current patterns. It is highly probable that proposed-venue presentations will become increasingly elaborate as the attraction of the congress market among the growing number of competing countries is enhanced by the realization of its economic potential. This trend toward elaborate, enticing presentations is increasingly a function of the preparatory assistance that potential hosts can obtain from NGTOs and local authorities in a growing number of countries that seek to encourage their nationals to extend congress invitations. Often, NGTOs do a double selling job, first to encourage such invitations, and then to present them at the international level.

In the final analysis, the market mechanics of the demand sector center on the ways and means of assembling a total package from a fairly long list of readily-identifiable, influencing elements. This list is comprised of (among others) such basic items as a physical congress facility, the appropriate types of accommodation, registration, hospitality, interpretation equipment and staff, the mounting of exhibits, audio-visual equipment, printing, and local transportation.

The actual mechanics center on the task of assembling and coordinating these elements. Where this task is easy, or is assisted by governmental or other support services, national organizations tend to be more receptive to the idea of accepting the host role. Where such organizations are left to their own devices, they show a marked reluctance to embark on the task of assembling the elements that are an integral part of the invitation. This hesitance is compounded by the fact that it is normally the responsibility of the inviting organization to deal with the often large volume of substantive work—the assignment and review of papers to be presented at the congress, possible prior distribution of such papers and, in general, the crucial scientific or professional core that determines the success of the event.

Therefore, the primary attraction of a venue to the potential host is contained in a single element: simplicity of down-the-line organization and coordination.

The point cannot be stressed strongly enough, for it recurred in virtually every interview with both international association secretariats and U.S. associations with some form of international affiliation or contact: the time, work, and costs involved are primary barriers to volunteering or accepting the role of host to a congress.

Cost aspects, discussed in their proper context later in this report, loom large in the area of market mechanics. Current United States estimates put the host association's outlay for facilities and services at a scientific congress involving audio-visual equipment and basic (3-language) simultaneous interpretation at an estimated \$125 per participant (given a total attendance of about 3,000 persons at any major U.S. city). Realistic forecasting in such cases, however, would put the **per-capita** cost at \$190 on the basis that only 2,000 participants will show up under the most unfavorable circumstances. One must bear in mind again that such calculations must be made with a lead time of between three and four years. In terms of organizational mechanics, advance funding (against eventual registration receipts) requires a substantial investment of time and work, and here again the demand is for simplification and delegation of this work as a prerequisite to acceptance of the host role.

2. The Market Mechanics in the Supply Sector

The functional and organizational elements of the congress market's supply mechanics are presented here in the form of two charts showing these elements and the channels through which they are supplied or otherwise met. The following charts represent a common or normal range of service concentration.

Chart 3-1

This chart illustrates supply channels in their most common and highly diffused form, in which a proposed (national) host organization or chapter must **itself** assemble and contract for the bulk of facilities and services with the separate suppliers indicated. However, commonly available coordinated or concentrated services from a single source are shown where normally applicable.

In essence, Chart 3-1 shows the type of service diffusion that tends to act as a deterrent to many national organizations' potential role as congress hosts.

Chart 3-2

This chart represents an optimal concentration of facilities and service-supply channels actually available—either at selected congress facilities or through professional congress organizers and similar coordinating services.

Chart 3-2, then, represents existing conditions which provide maximum assistance and incentive to potential congress host-organizations.

Note: An important *warning* regarding certain situations shown in the charts should be entered here: There exist situations in which certain services are available through professional or commercial channels only if these services are commissionable or, alternatively, can be charged to the client organization concerned. In general, professional or commercial suppliers would include professional congress organizers, travel agents, and convention and visitors' bureaus. The special situations are discussed in detail in chapter VIII, section 5.

There are also substantial differences in service scope between Europe and the United States on the one hand, and Japan on the other, with service integration or centralization highest in Japan.

CHART 3-1

Service and Facility - Supply Channels (Standard Format)

SUPPLIERS FACILITY OR SERVICE	HOST ORGANIZATION	CONVENTION & VISITORS BUREAU	CONGRESS FACILITY	HOTEL/HOTEL CHAIN	NGTO	LOCAL GOVERNMENT	UNIVERSITY FACILITY	TRAVEL AGENT	INTL ASSOCIATION SECRETARIAT	OTHER SPECIALIST SUPPLIER
MEETING FACILITY		X	X	X			X			
HOTEL ACCOMMODATIONS		X		X			X	X		
HOSPITALITY	X	X		X		X	X			
INTERPRETATION							X		X	X
AUDIO-VISUAL EQUIPMENT		X	X	X			X			
EXHIBITS			X						X	X
SIGHTSEEING (LOCAL); "GROUND TRANSPORTATION TO AND FROM AIRPORT"		X						X		
PRE- OR POST - CONGRESS TOURISM					X			X		
INBOUND/OUTBOUND TRAVEL COORDINATION								X		
CHARTER-FLIGHT COORDINATION								X	X	X
PRINTING & DISTRIBUTION		+					X			X
FUND-RAISING ASSISTANCE		+			+					
REGISTRATION	X	X	X	X			X			
VENUE-PROPOSAL PREPARATION	X	X								

X: NORMAL SERVICE, SUPPLIED DIRECTLY.

+: INDIRECT ASSISTANCE OR REFERRAL OFTEN PROVIDED, ESPECIALLY IN JAPAN AND SOUTH-EAST ASIA.

CHART 3-2

Service and Facility-Supply Channels (Optimal format)

SUPPLIER FACILITY OR SERVICE	CONVENTION & VISITORS' BUREAU	PROF. CONGRESS ORGANIZER	CONGRESS FACILITY	HOTEL/HOTEL CHAIN	NGTO	LOCAL GOVERNMENT	UNIVERSITY FACILITY	TRAVEL AGENT	INTL. ASSOC. SECRETARIAT
MEETING FACILITY	X	X	X	X			X		
HOTEL ACCOMODATIONS	X	X	X	X			X	X	
HOSPITALITY	X	X	X	X		X	X		
INTERPRETATION	X	X	X		X		X		X
AUDIO-VISUAL EQUIPMENT	X	X	X	X			X		
EXHIBITS		X	X	X					
SIGHTSEEING (LOCAL); "GROUND TRANSPORTION TO AND FROM AIRPORT"	X	X	X					X	
PRE- OR POST-CONGRESS TOURISM		X						X	
INBOUND/OUTBOUND TRAVEL COORDINATION								X	X
CHARTER-FLIGHT COORDINATION								X	X
PRINTING & DISTRIBUTION		X	X				X		
FUND-RAISING ASSISTANCE		X							
REGISTRATION	X	X	X	X			X		
VENUE-PROPOSAL PREPARATION		X			X				

Where the charts show multiple supply channels for a given service, the channel used for the service concerned is, of course, at the client-organization's option. There are, clearly, wide variations in the scope of services available under the alternatives illustrated here. For instance, some international secretariats are able to provide registration services, or take charge of interpretation functions; others are not. The charts are based on usual common factors at either end of the spectrum illustrated here; clearly, a broad range of intermediate situations also exist.

The various service categories shown in both of the preceding charts vary, of course, from case to case, and by country or locality. In addition, the charts indicate normally-available options that are, essentially, at the client's discretion. The charts are thus designed as indicators of service sources rather than as iron-clad listings of practices or service-availability channels.

Both charts omit mention of the major **air carriers** because these tend to play widely varying roles. Where carriers are government-owned or controlled, they tend to cooperate closely with national convention bureaus and NGTOs (usually interlinked among themselves). They participate in a general supporting role aimed at being appointed the "official airline" of a given congress. In other instances, the carriers may distribute programs and other promotional materials for a congress, but play no role in the important preparatory phases.

While the specific role of **congress organizers** will be discussed in more detail later in this report, it should be noted here that such professional organizers offering comprehensive services (as outlined in Chart 2) are concentrated in Europe, though their activities extend to the rest of the world. The category includes a major coordinating body of specialist services—the International Congress and Conference Association (ICCA), headquartered at The Hague. Its members, in their totality, perform all basic planning and implementation services for congresses on a worldwide basis, with ICCA itself acting as the central disseminating and coordinating body.

The category **Convention and visitors' bureaus** in the preceding charts refers primarily to such organizations in their local municipal form (prevalent in North America) rather than in the wider, usually national, form (found outside North America) where they at least tend to serve as a liaison body with specific service suppliers.

The most difficult service category to define is that of the **congress facility** as such. In the most narrow sense, it can be a bare-board hall (or group of conference rooms), equipped to varying degrees with audio-visual facilities, and staffed at a maintenance level only. In its optimal format, it may be a major meeting facility with attached hotel accommodations on a large scale and with a comprehensive service organization that may perform virtually all of the functions of a professional congress organizer.¹

In a broader and more important sense, however, service availability—even in its optimal format—is less important than the **quality** of client-consciousness that it projects. There is broad consensus among smaller associations, whether international or national, and professional organizers as well as larger comprehensive congress facilities, that "close personal care" is a primary client requirement. A potential host organization may well be willing to obtain certain auxillary services on its own if it is given proper guidance, for with such guidance, tasks that loom large to the inexperienced may be reduced to a more acceptable perspective.

¹As in the case of the Paris International Center, the Munich (Germany) Fairs and Exhibition Company, or the Bella Centret in Copenhagen (Denmark).

Time frames tend to be crucial. A busy physician whose possible contact with a facility or service is limited to traditional business hours cannot accept the task of congress organization. On the other hand, the current study encountered (by coincidence) situations in which the chief operational officer of major comprehensive facilities agreed to meet with physicians and other busy professionals at their homes in the evenings or on weekends, in situations in which needs could be freely discussed and professional confidence established.

The human aspects of the organizational task in its relation to the service-supply sector comes to the front in the **university facility** category which, in both of the preceding charts, shows a high degree of centralized facility and service availability (largely through in-house services). This, in addition to low costs and, above all, low-cost dormitory accommodations, makes campus venues highly attractive, particularly to the international scientific and academic community.

It must, however, be stressed that, particularly in the United States, the supply sector represented by university facilities tends to be entirely isolated from the other service sectors. Convention and visitors' bureaus, and other types of organizing services (e.g., those maintained by federations of scientific societies) profess a total lack of interest in the congress resources represented by university campuses. Here, then, there is little if any cross-referral, and the organizer of a campus event is likely to be rebuffed if he seeks to enlist convention and visitors'-bureau assistance in respect of certain additional services needed. Conversely, such bureaus will not refer requests for low-cost accommodations to a local or nearby university or college.²

A major and broadly attractive venue resource thus tends to be confined to a narrow and closed circuit within the overall congress market. The same holds true for smaller sites, such as resorts (often ideal off-season venues) and for cruise ships.

²This is not the case in Canada, where there is close liaison between such bureaus and local campus facilities, and where the latter are listed in the national convention-facility guide of the Canadian Government Travel Bureau.

IV. SALES CHANNELS AND APPROACHES

The preceding chapters have sought to illustrate the considerable extent of the international congress market's diffusion and multiple segmentation, both in its demand and its supply sectors. Stress has been given to the fact that it is basically a piecemeal market in which virtually every level of service is promoted, sold and purchased separately. At the same time, however, there is an identifiable trend toward a degree of integration of services and their sales mechanics in the direction of complete "packages," largely to meet perceived changes in demand. These, in turn, tend toward smaller specialized meetings whose organizers lack the time and manpower resources to assemble each of the elements that constitute a viable congress or other meeting.

To some extent, identifiable changes in promotion and sales patterns in the overall congress field (covering venue sites as such and related services) are increasingly a function of the market's trend toward new venue sites. This trend, discussed in detail in chapter V, primarily European) circuits. New venue sites, in turn, tend to be unfamiliar and often far-distant territory to association secretariats and governing bodies. As a result, they demand on-site organizing functions by host committees that are new to their task or lack the resources in time, manpower or money to readily accept a host role.¹

Both market mechanics (see chapter III) and market geography, then, have begun to spark a trend toward comprehensive package services and their sale. It must be stressed, however, that this trend is still at an early stage of development and tends to be implemented through a variety of channels. Nevertheless, it is a significant trend, not only because new venue sites are entering the market, but also because traditional areas, recognizing the attraction that integrated sales and service exert on the market, are beginning to adopt parallel methods. This is seen partly as a defensive move, but also as an effort to broaden their appeal to new demand segments among smaller associations and other bodies that have come to recognize the benefits of periodic international meetings. Despite the distinguishable trend toward integration of services and sales channels, however, diffusion still remains the market's general norm.

As the discussion in chapter III has indicated, the congress market's supply sector is two-dimensional. In what may be termed the horizontal direction it consists of a progression (or continuum) of services relating to a single country (or site) of venue. In a vertical sense it consists of specialized services—individual or comprehensive—that cut across geographical lines, selling the service or services wherever they may be available.

1. Country of Venue Sales Channels

In the majority of instances where there is active promotion of congress venues on a national scale, this is carried out by, or in conjunction with, the national government tourist office (NGTO). Where there exists a specialized national congress-sales organization, it usually works in close conjunction with the NGTO headquarters, with sales normally handled through NGTO overseas offices.

¹ Here, the availability of local professional organizers is an important positive factor (e.g., in Japan, Singapore, and Hong Kong).

The NGTO sales-channel plays a primary part among the following countries (table 4-1).

Clearly, the notations in table 4-1 are geared to certain common denominators that, individually, vary widely in their actual implementation. Thus, "significant government support for national invitations" can range from informal government suggestion that national bodies invite their international affiliates to a venue site in the country concerned (e.g. France) to an active participation in the venue-proposal and invitation process (e.g., Ireland, Japan, Mexico).

Table 4-1.—National Government Tourist Office Sales Channel

Country	Headquarters organization	Significant government support for national invitations	International sales channel*
Australia	NGTO	—	NGTO
Austria	NGTO	—	NGTO
Belgium	NGTO	—	—
Canada	NGTO	—	NGTO
Denmark	Danish Convention Bureau	—	NGTO
France	France-Congres	Yes	NGTO #
Germany, F.R.	German Convention Bureau	—	NGTO/Air Carrier #
Hong Kong	NGTO	Planned	NGTO (Planned)
Hungary	NGTO	Yes	NGTO hq.
Ireland	NGTO	Yes	NGTO
Japan	NGTO	Yes	NGTO hq./Air carrier #
Mexico	NGTO **	Yes	NGTO
Netherlands	NGTO	—	NGTO
Singapore	NGTO	Yes	NGTO/Air Carrier
Switzerland	Association of Swiss Convention Centers	—	NGTO/Air carrier
United Kingdom	NGTO	—	NGTO #
United States	NGTO	—	NGTO

* Unless otherwise noted (e.g., in the case of Hungary), the NGTO channel referred to in this column relates to field sales-offices abroad. It is, however, stressed that in virtually all instances, only selected NGTO field offices carry out congress-sales functions.

** The NGTO reference here is to the Consejo Nacional de Turismo, a government-financed body that acts solely as a wholesaler of tourism outside Mexico and is distinct from the Departamento de Turismo.

There is also significant foreign representation or promotion of municipal or privately-owned congress facilities.

Similarly, parallel sales promotion by individual cities or congress facilities varies both in extent and intensity. The most active parallel sales efforts are made by Paris (Centre International de Paris in conjunction with the Concorde Hotel group—a major hotel is an integral part of the congress facility), London (London Convention Bureau), Kyoto, and Hamburg—the latter through that city's (and federal state's) port and commercial representations abroad.

Before entering on any analysis of sales promotion and methods, it is appropriate to note an important reservation. At the current stage of the overall congress market's development it is basically misleading to describe the sales efforts in terms of a given country or individual congress facility, for these efforts are in essence activities by single individuals, some of whom are well-known in the market. (Much the same is true of the professional organizers, whose role is discussed in section 3 of this chapter). In part this is a result of the overall market's recency. Its pioneers have left their mark and to a large extent the attraction of both countries of venue and individual facilities rests on the climate of confidence that these persons have established with the market's demand sector.

Clearly, personality alone will not decide the choice of a venue site, but if a close competitive situation arises, or if an association secretariat must make a last-minute venue-change decision, the personality factor—and the performance record on which it rests—can enter strongly into the decision.

While the international congress circuit operates on a **national** level in which the basic decision-making process relates to **country** rather than locality of venue, the decision makers, or those who influence them most directly, need frequently to be guided by specific information on a small choice of localities or **individual** facilities. In the case of very large countries, such as the United States and Canada, the very range of choice can be confusing. In these and other instances, pre-conceived images may bias the potential client organization toward (or against) a single site that looms large in the country concerned. Again, an international association may hesitate to informally solicit an invitation from a national emmber located in a certain city because it lacks the information to suggest an alternative site in the same country.

A majority of national congress sales organizations in countries tend to try to uncover client preferences either for a specific site or for a type of site and then essentially "sell" on this basis. This is done with the realization that total regional or local neutrality, or the suggestion of alternative sites, can lead to a competitive disadvantage. Thus the French and Netherlands organizations largely accept the fact that Paris and Amsterdam loom largest in their national market image, as London looms largest within the United Kingdom.

An elaborate technique is used by one national convention bureau. Its basic instrument is a 106-page illustrated guide book covering 26 localities, prefaced by a multiple index that lists these localities, under the following criteria headings:

<u>Group criterion</u>	<u>Sub-categories</u>
1. Capacity of convention facilities . . .	a. Up to 1,000 b. Up to 3,000 c. Up to 6,000 d. Over 6,000
2. Population	a. Up to 40,000 b. Up to 200,000 c. Up to 500,000 d. Up to 1 million e. Over 1 million

<u>Group criterion</u>	<u>Sub-categories</u>
3. Focal points	a. Industry and commerce i. Heavy industry shipbuilding ii. Machinery/vehicles iii. Chemical iv. Electrical; electronics v. Fairs; exhibitions vi. Science; research (1) Natural sciences (2) Medicine (3) Technology (4) Physics; nuclear sciences vii. Museums; arts; music viii. Spas; health resorts ix. Recreation (1) Water sports (2) Winter sports (3) Gambling
4. Characteristic features	a. Sea coast (shore) b. Hills c. River valleys d. Mountains e. International metropolises

The potential client is expected to use the multiple index to establish the largest possible number of coinciding mentions of certain localities in terms of his own requirements. In theory at least, this should result in a single or at least a narrow choice, developed by the client while the govention bureau maintains its regional and local neutrality. This method, while fairly elaborate, is designed to permit sales through NGTO and air carrier channels even in the absence of a strong staff structure.

The volume in question also contains information on hotel and other (primarily touristic) services, and a description of six standard pre- or post-conference tour packages.

The basic sales concept at the **national level**, then, tends to an overall strategy of familiarizing potential client organizations with the facilities and attractions of the country concerned, with an underlying two-phase tactic designed to—

1. Sell the country as such and to gauge specific responses, particularly with regard to expressed needs and requirements of promising prospects; and
2. In a variant on the first phase, to sell, as hard as possible, any specific region or site within the country as soon as it becomes apparent that the potential client organization (a) has strong preconceptions that identify the country with the site (for instance The Netherlands - Amsterdam); (b) favors such a region or site for reasons of its own; or that such a place would best match the organization's needs or match foreign competitive sites.

While this strategic-tactical approach is a valid outline of the sales concepts of most non-U.S. marketers, it is primarily toward the United States itself that the bulk of these major sales

efforts are **directed**. The rest of the world is very much in second place. In practice, then, what is at best a routine sales pattern is applied to markets other than the United States, using standard NGTO channels.

Nevertheless, national convention-sales offices or the appropriate departments of certain NGTO headquarters are beginning to enter with greater vigor into certain peripheral sectors of their competitors' markets in areas other than the United States.

Examples can illustrate two such sectors which are significant:

1. In part as a result of the trend toward international congresses in Eastern Europe, **Austria** has made efforts to attract pre- or post-congress **board or committee meetings**, and **strategy or evaluation sessions** by miscellaneous groups of participants. Western participants' routes to meetings in Eastern Europe tend to be via Austria, so that the stop-over facet and contrasting working and living conditions are a low-key theme in this highly targeted sales effort.

A sub-variant on this approach, but generally handled through channels in which the NGTO acts mainly as an idea originator and supplier of market intelligence, is to identify major specialty congresses in nearby countries and then to virtually create, through a local association, a **sub-specialty congress** in an appropriate time frame, thus developing a "piggy-back" event that would stand little chance of attracting significant attendance on its own.²

2. Where geographically feasible, certain NGTOs make approaches to associations that have decided on certain congress venues elsewhere in order to generate pre- or post-congress **tour-stopovers** in the country concerned, possibly with a **congress-oriented program**. Alternatively, such approaches are generated through the congress' official travel agents or air carrier. (In some instances, in fact, efforts may be made to have the carrier of the tour-soliciting country bid for the official-airline status; in such a case, the required landing in that third country becomes a plausible rationale for a longer stopover.)

There is, in brief, growing attention to the incidental or peripheral areas of the congress market, both in terms of subsidiary or supplementary meetings, and in terms of tourism and related opportunities (for instance, study or even incentive travel) that might arise from a congress held in a competing country, as long as there is some kind of geographic or substantive logic attached to the secondary event or tour.

There is considerable variation in the extent to which NGTOs or related specialized congress-sales agencies work in and, more important, on their home market. It is generally recognized that the crucial step in the venue-decision process is the invitation from a national body or organizing committee, even if that formal step has been inspired partly as a result of sales efforts with an international association secretariat.

The most strongly activist roles are played by France, Ireland and Israel, where government trade and industry agencies, in close cooperation with NGTO congress offices, canvas national associations whose members regularly attend meetings of related international

²By way of a specific instance, the 20th World Veterinary Congress is to be held at Salonika, Greece, between July 6 and 12, 1975, followed by the 7th international conference of the World Association for the Advancement of Veterinary Parasitology (July 14 to 16). In this context, the Israel Veterinary Medical Association and other scientific bodies have organized an international symposium on comparative medicine in arid zones (Ben Gurion University of the Negev, July 1 to 4, 1975) as a complementary program to the Salonika meetings.

associations. To varying degrees, they are encouraged to extend a national invitation for a forthcoming international congress. Low-key efforts in the same direction are also made in Japan and in the United Kingdom.

In an extension of this policy, both Ireland and Israel will encourage and if necessary, subsidize attendance at international meetings of individuals or representative of appropriate national bodies with the specific view of placing them in a position of issuing an invitation to hold a forthcoming congress in their respective countries. In both variants on this theme, there is substantial **government** assistance in the preparation of the detailed proposal that normally accompanies an invitation. (The Irish Tourist Board will, in selected cases, provide a delegate bearing an invitation with an information officer who will make a presentation of the venue's merits, features and facilities and who can discuss the specifics of various incentives offered.)

2. The Role of Professional Congress Organizers

In terms of overall market impact, professional congress organizers and certain related coordinating facilities appear to play a part that is second in importance only to that of the NGTO-related efforts discussed above. In the longer term, this channel is likely to grow in importance both because it offers precisely the type of coordinated congress package that few countries or individual facilities are able to offer. It can also effectively serve the growing market of smaller meetings—particularly of scientific and professional associations—whose continued growth is in part dependent on the availability of coordinated package services.

Professional congress organizers as a category straddle virtually all market sectors dealt with in this study, and they appear in different roles in each such sector.

Therefore, they are prime clients of the national sales channel described in Section 1 of this chapter, because they may be involved in the venue-selection process, if only in an advisory capacity. While organizers will normally form their own impressions of a given country or site, it may be important to stimulate familiarization visits since situations do arise when the roles of an international organizer and of an international association secretariat are largely interchangeable.

The organizers' client role is, however, subject to an important reservation. Increasingly, organizers serving the international market seek and obtain ties to specific countries of venue, particularly in the less-developed countries which need both technical assistance in the operation of their congress facilities and in marketing them abroad. In this role, the organizers in question are also competitors of the NGTO congress-sales organizations.

This competitive role, in turn, is blunted by these organizers' largely successful efforts to obtain a stable clientele. Acting on behalf of given associations, they may well cross the client-seller line periodically in organizing a venue for a client association at a site for which they also act in a marketing capacity, but given venue-rotation patterns, the "off-years" call for venues elsewhere.

Potentially, the importance of the organizer sector lies in the fact that if this sector develops along lines that are increasingly apparent, they, together with such coordinating bodies as the International Congress and Convention Association (ICCA) and, perhaps, some major travel agencies with worldwide representation, will constitute the vital catalytic element that can actually create a complete congress package in all its complex aspects.

It should be stressed that the field is small indeed. Apart from ICCA, which is in a somewhat different functional category, three congress organizers, all located in Europe, appear to

dominate the international field. There are others that will act in this capacity in their home market only, though they also solicit an international clientele, often in close conjunction with their country's NGTO (e.g., Denmark, Israel).

The role of selected travel agencies in the comprehensive organization field is largely undeveloped. The potential exists, and some industry circles believe that this potential will be developed in time. For the moment, however, tangible development is limited to the creation of congress-travel departments with narrowly circumscribed fields of action.³

3. Local Facilities and Convention Bureaus

As a general rule, local congress facilities, including hotel facilities, maintain close marketing liaison with NGTOs or national convention bureaus in Europe. In the United States and in Canada, local (or state or provincial) convention and visitors' bureaus distribute congress-market intelligence received from the United States Travel Service or the Canadian Government Office of Tourism. Each facility (in North America, tied to the convention bureau by membership status) is then largely left to make its own approach to the client organizer: The international association, corporate group, or professional organizer acting on behalf of a client group.

Within North America, however, fairly stable sales patterns have developed in the domestic (Western Hemisphere) market, under which convention-bureau delegations accompanied by representatives of meeting and hotel facilities make **concerted selling drives** in certain key localities. This usually involves a set presentation and hospitality for potential clients in that locality, followed by individual calls on likely prospect associations and corporate groups (whose conference staffs and executives will usually be in a position to enter into **pro-forma** forward venue commitments). Secondary channels are provided by the annual meetings of the American Society of Association Executives (ASAE) and the American Society of Travel Agents (ASTA).

As these U.S. domestic selling patterns have become institutionalized, so have purchasing patterns, evolving between them into a set routine focusing around a fairly standardized range of conventions, usually of substantial size, with well-known patterns of substantive content that do not vary greatly from year to year. On the whole, within the domestic market, the client organizations are highly mobile—in the sense that most associations can readily make local organizational arrangements during pre-convention visits to the venue site chosen (which, however distant, is in familiar territory).

Above all, both the market's supply and demand parameters in the domestic market remain fairly stable. New facilities (convention centers and hotels) enter the market periodically, but on the whole there are rarely such dramatic changes in supply and demand volume as to jolt the market's relative balance.

³Within the United States, the travel agents' role tends to be circumscribed by external factors, among them arrangements under which major hotels and hotel groups pay a substantial local tax and/or membership fee toward the operational costs of the state and/or local convention and visitors' bureau. A lodging or accommodation tax of between 1 and 3 percent plus a membership fee of \$1 per room to a maximum of 750 or 1,000 rooms may be cited.) In return, these bureaus handle accommodation distribution for congresses in that locality. If a travel agent then enters into the picture and requires accommodations for the groups whose travel arrangements he handles, these hotels will normally refuse to accord him the standard commission (10 percent). Some hotel groups concede that they would be more flexible were a travel agent to book an entire convention or congress, **in toto**; on the other hand, some convention and visitors' bureaus complain of hotel resistance to booking for any international congress, citing required room-price maxima for foreign visitors as the reason. (There are indications that, for the same reason, hotel members exert a negative pressure on convention bureaus, which may deter them from showing greater interest in international meetings and participation in coordinating efforts such as that of ICCA.)

In the international (as opposed to the domestic) context, it is interesting that certain European centers whose basic marketing strategy is aimed at the American market have essentially entered into the same market pattern described above for the domestic market itself, though of course to varying degrees.

The different European centers—for example, the London Convention Bureau; the Centre International de Paris; the group of Netherlands congress centers (Amsterdam, The Hague, Rotterdam, Breda, Utrecht, Eindhoven, and Groningen) marketed under the sponsorship of the Netherlands National Tourist Office; as well as the German Convention Bureau of the German NGTO—devote varying degrees of their marketing thrust to the American market. They apply (again to varying degrees) their capabilities of offering integral convention and related service packages as a major incentive, or at least as a means of overcoming the deterrent that the need to organize the event at long distance might constitute.⁴

Apart from the marketing role played by NGTOs on behalf of individual cities and facilities in their home countries, the Centre International de Paris is probably the most widely represented individual facility in Europe. It boasts its own sales offices in New York, Cologne (Germany), Montreal, and (through the appropriate French Chambers of Commerce) in London, Brussels, Geneva, and Milan. This center, together with those in Munich, Copenhagen (Bella Centret), and Hamburg, is generally credited with a most active direct-sales thrust aimed at individual potential clients, both in the association and corporate circuits.⁵

Paris, Munich, the Netherlands centers, Copenhagen, and Hamburg are in turn credited with offering, either in-house or through local professional organizers, the most comprehensive service packages aimed (in particular) at smaller scientific and professional associations.

Concurrently, larger cities and independent facilities located there try to generate local venue invitations. Some, notably Munich and Copenhagen, go farther afield within the country concerned as their systems of identifying market prospects become more comprehensive and sophisticated.

One important congress-marketing factor at the city level arises, in Europe, out of the fact that the principal **industrial, trade** and other **specialty fairs** tend to be significant international events. These fairs and exhibitions are invariably tied to a certain locality and almost always attract large numbers of interested visitors. They are thus a ready-made occasion to which one or more international congresses can be attached, particularly if time frames are carefully adjusted to attract longer stays by fair visitors while providing adequate accommodations for those who come to attend the congresses only. The success of such dual events has, in turn, spurred the construction of new combined exhibition-and-fair facilities, of which the Bella Centret at Copenhagen is a very recent example.⁶

When considering the marketing and promotion of non-European congress centers on an individual basis (rather than at the country-of-venue level), reference must be made again to the dual role of professional congress organizers (see section 2 above). The marketing of the new centers at Singapore, Jakarta (Indonesia) and the newly-converted Africa Hall at Addis Ababa (Ethiopia) is handled primarily by such professional organizers in the United

⁴It is noted that the major international congress organizers mentioned in the preceding section are located in the United Kingdom and in the Netherlands.

⁵It is forecast that this list will expand to include Birmingham and the new London Convention Center at Wembley once these are completed in 1976.

⁶The success of fair-tied congresses raises another topic: a systematic drive to attract foreign attendance at national industrial, scientific and professional meetings that are coupled with a fair or exhibition, thus offering an added inducement for the trip.

Kingdom and the Netherlands. Currently, substantial and highly visible promotional support for the Singapore facility is handled directly by that country's NGTO.

The new Anhembi Convention Hall at São Paulo (Brazil) is marketed for Europe by a consulting firm in London. When fully completed, this facility (like the Centre International in Paris, the Falkoner Center in Copenhagen, the Congress Center in Hamburg, and the Birmingham facility currently under construction) will have integrated hotel accommodations. Normally, the congress-facility's separate administration has a right to appropriate a substantial number of hotel rooms for congress visitors.

The leading professional congress organizers have generally built up fairly elaborate means of identifying the potential clientele of the centers that they represent in a sales capacity. However, at the present time, some of them also deploy a substantial familiarization-tour effort aimed at what each organization believes to be the venue-decision makers of international and other associations.

A number of congress facilities target their basic sales promotion toward delegates at congresses in progress at their respective facility on the theory that the scatter effect, coupled with multiple association membership among those attending any congress, is likely to reach the decision makers of other bodies or those who influence them.

The market's demand sector is virtually unanimous in acknowledging the great influence of reputation and word-of-mouth recommendation as an often decisive factor in choosing a given site (within a country determined on an invitational basis). A past record of successful congresses is the prime guide here, with "success" largely defined as a well-attended event that ran smoothly in all respects under good physical conditions. How fragile a reputation can be is illustrated by the fact that a major center in Germany that prides itself on the excellence of its integrated facilities has acquired a negative reputation because of surly service in the hotel and restaurant complex, delayed or forgotten morning calls, and similar lapses in attention to detail.

Similarly, lack of opportunities for entertainment, relaxation and informal meetings with fellow delegates may be considered negative factors though, conversely, much the same is true of high-pressure, fast-paced night life.

Sales Approaches

In the international-association segment of the market, and particularly in its scientific-medical-professional core element, high-pressure sales tactics and exaggerations are generally regarded as unproductive. Visits by sales delegations to key centers for the purpose of sales seminars coupled with formal presentations and entertainment may produce good attendance—often by those to whom an invitation issued to an association official has been passed on—but the end effect is largely negative.

On the other hand, there is often startling market response to an aura of personal service. An association headquartered in France that had shown initial interest in a possible congress in Atlanta, Georgia, and had addressed an inquiry to that city. Within days, they received a visit from a representative of that city's convention and visitors' bureau who was able to provide full information on all points—a fact that impressed the potential client beyond all promotional devices and approaches. A French center's willingness to have a senior staff member consult on technical congress arrangements with the meeting's physician-organizer after office hours, or its willingness to receive and install certain exhibits on a Sunday morning—again under senior staff supervision—have been major contributing factors in the

evolution of an enviable **reputation**. In brief, a facility's ability to provide adequate staff **help** is a major factor in this highly labor-intensive industry.

Cooperative Sales Efforts

Although there are a number of associations of congress facilities and congress towns in Europe, these are primarily technical organizations representing the congress business and its technical requirements rather than selling or information bodies.

Interest, however, attaches to two bodies, already referred to briefly in section 1 of this chapter because their foreign sales are handled through the respective NGTO:

1. France-Congrès (Association Francaise des Villes de Congrès); and
2. The Association of Swiss Convention Centers.

France-Congrès is comprised of the following locations:

La Baule	Grenoble	Toulouse
Biarritz	Lyon	Le Touquet
Bordeaux	Monte Carol	Versailles
Cannes	Nice	Vichy
Deauville	Paris	Vittel

The list represents a diversity that is sufficiently clear-cut to permit individual marketing through a centralized source with relatively little conflict among potential sites. However, occasional conflict does arise in respect to Paris vs. the other towns, particularly in the context of an international-association decision to meet in France, and subsequent national-organizer pressures in one direction or another.

There is also considerable diversity among the 19 localities represented by the Association of Swiss Convention Centers:

Arosa	Engelberg	Lucerne
Basle	Flims	Lugano
Berne	Geneva	Montreux
Biel (Bienne)	Grindelwald	St. Gall
Bürgenstock	Interlaken	St. Moritz
Davos	Lausanne	Zurich

Over one half of them are small resort towns with relatively limited congress facilities apart from those provided directly by larger hotels.

Limited capacities among even the larger towns have, in at least one notable instance, led to a split-venue congress (International Union of Geodesy and Geophysics; Zurich-Berne St. Gall, 1967). Although foreign sales are handled by the Swiss NGTO in cooperation with Swiss-air, the internal administration rotates among major members and is currently in Zurich. As a result the convention bureau of the city tourist office handling Association administration tends to dominate the marketing thrust of the moment (at least where it can control it).

4. Hotel Facilities

While virtually all larger hotels with the appropriate facilities pursue and welcome the congress market, only the major international chains and some notable individual hotels have an active direct marketing thrust toward the international market at source (e.g., international associations, corporations and other meeting organizers). The remainder tend to confine their marketing and selling activities to more restricted areas, for instance (1) their facilities within a given country of venue, once that has been decided; or (2) their facilities in a given locality once such a choice has been made, whether at an international or a national level.

Sales calls and similar direct approaches to the international meetings market tend to be confined to the major international chains. These, of course, sell the full range than a specific country or locality. The breadth of this range, coupled with some form of direct representation in most countries where their congress clientele has its administrative headquarters, constitute an important attraction and point of marketing strength. But by the same token, that strength is applied on a more restrictive national or local scale where a venue decision has been taken and limits the organizers' choice.

In practice, and in the context of the market segment of regular recurring congresses, the hotel-sales circuit plays a more important role in bringing an event to a given site than it does in the choice of country of venue.

There are, however, a number of important exceptions that require consideration:

1. The hotels that are an integral part of a congress complex (for instance the Concorde Hotel at the Centre International de Paris; Loew's Hotels facility adjoining the Hamburg Congress Center; the Hotel 3 Falke at the Falkoner Centret in Copenhagen, and the hotel facilities under construction in conjunction with the new congress centers at Birmingham (UK) and São Paulo (Brazil));

2. Hotels that are essentially conference centers—integrated in the sense that separate sale of accommodations and conference facilities is an exception, or at least a departure from the center's original purpose.

Examples in this category include various facilities of the **Maritim** Hotels and Convention Centers group in Germany (Timmendorfer Strand, on the Baltic Sea; Kiel, Saarbrücken, and three centers at hill resorts in central Germany—with the exception of the first-mentioned, all opened within the past three or four years); and the Kongress Hotel at the university town of Erlangen, also in Germany;

3. Smaller hotels with conference facilities, generally located in small towns—often of considerable tourism appeal—in the United Kingdom on whose behalf, as a generic group, the British Tourist Authority and the English Tourist Board carry out a certain amount of sales promotion;
4. Certain individual facilities built primarily as integrated congress/accommodation units with sophisticated conference aids (e.g., closed-circuit TV, audio-visual equipment), located for easy accessibility without any strong reference to any adjacent town or city except for the fact that a major airport is close at hand. A case in point is the new Heathrow Hotel at London Airport.

For the most part, the specialized facilities described above rely on targeted promotion in trade journals, technical magazines and so forth rather than on the direct sales approaches

that larger chains can afford. Some association secretariats, however, note that smaller individual facilities can usually provide a direct and speedy answer to an inquiry while larger chains, even if locally represented, must often refer questions and decisions to a distant head office for final approval.

Within the international-congress market's most active segment—that of smaller scientific, medical and professional conferences—hotel facilities exert a considerable attraction to those concerned with organizational mechanics. Hotels tend to provide far more flexible meeting-room arrangements than many larger centers, and one of the main problems that faces organizers of such events is the provision of adequate space for as many as seven or more simultaneous meetings, with possibly each requiring interpretation and audio-visual equipment. Proximity of eating facilities is also valued because it contributes to on-schedule start of sessions after meals and, in general, to the event's cohesiveness.

5. University and College Campuses

In this sector of the market there is, as yet, no identifiable “selling” effort or centralized system to advise would-be users of space availability for conference purposes, although one may well conceive of the desirability of such a system or systems.⁷

Interestingly, however, the University of Manchester (UK) advertises the availability of its residential and meeting facilities, for instance, in the periodic “Guide to conferences” pages of *The Times* of London.

As a general rule, availability of campus facilities is primarily tied to the specific academic connections of the organizers of a given event.

As already noted previously, convention and visitors' bureaus tend to adopt a “hands off” attitude toward campus venues. This bias can cut off the localities they (the universities) serve from becoming venues for academically-oriented events, which show a tendency to expand in the wake of man's growth of knowledge and technological and scientific development. Such events attract a highly motivated attendance by people who are not only interested participants but who, as a group, are likely to include an unusually large proportion of persons who will themselves become organizers of a congress at some point in their careers.

Furthermore, colleges and universities tend to constitute well-known entities within the congress-market segment to which they appeal and often better known than the city or town where they are located. As a rule, the name alone is sufficient recommendation, while organizers are usually assured of adequate technical and logistic support systems.

With few if any exceptions, a campus venue is not interchangeable. A scientific meeting that requires a campus site cannot, for financial reasons, be induced to “trade up” to more conventional congress facilities and accommodations. Also, a negative attitude at the commercial level is likely to lose the event for the locality concerned unless would-be organizers can establish direct communication with the campus.

6. Travel Agencies

As already noted previously, travel agencies' sales channels tend to be at a secondary level, geared primarily to providing coordinated travel for congress participants—an actively

⁷ Among the considerable amount of promotional literature reviewed in the course of this study covering national, regional and local facilities, only the Canadian Government Travel Bureau guide, *Canada—Convention Country*, contains a listing of available campus facilities under the appropriate localities, together with capacity and other pertinent data.

solicited function. Where possible, they are also involved with making accommodation arrangements (subject to the important deterrents noted in section 4 in respect of hotel practices regarding commission payments, particularly in the context of inbound traffic into the United States).

In certain instances, the major travel agencies, and particularly those that have now established separate conference and incentive-travel departments (e.g., Cook's; American Express) are approached by associations and other bodies with requests for advice on potential venues. This is particularly the case where first-time congresses are involved or where the organizers feel that a touristic attraction is important. In such instances, the travel agencies' interest is in the direction of long-haul sites which will maximize air-travel commission earnings. In Europe, for instance, venues in Japan and in North America are highly attractive to travel agents, both in terms of actual congress travel and in terms of pre- or post-congress tour packages.⁸

Travel agents are, however, aware of the market's potential and of their opportunity to market congress-related tours in the context of making the basic congress-travel arrangements—an opportunity that does not always arise if the congress organizers leave actual travel arrangements to each individual participant. (The organizers may then hesitate to enclose a tour brochure as distracting from the main contents of the mailing.)

The major travel agencies consulted during the present study see not only the greatest **opportunity** for the development of congress-related **tourism**, but also for basic **congress-market development**, in the substantive field of medicine, the law and other professional activities which they consider to be the stable core of the congress market as a whole.

There are isolated instances, for example in France, where local congresses as well as related (internal) travel have been organized by a travel agency, but such examples are rare.

As in other areas of specialist services to the congress market, the coordinating role of the specialist members of the International Congress and Convention Association (ICCA) is the best example of a concerted approach to the problem of developing comprehensive congress packages.⁹

There remains one important area of activity that appears to be shunned by both travel agencies and at times by congress sponsors or organizers—that of arranging **charter-flight transportation** for long-haul congresses whose participants are distributed over a wide area, such as in Europe. The numbers involved are usually too small to warrant charter flights from each country of members' origin, and coordination arrangements for charter flights from a central departure point tend to be laborious and thus too costly for a travel agency. Association secretariats cannot always handle such arrangements. Special interest thus attaches to the fact that large scientific societies in the United States with knowledgeable meetings departments have on occasion assumed charter-coordination functions for overseas participants at selected international (and also national) meetings in the United States.

⁸Travel agencies' attitudes toward the specific congress-travel function are discussed in section 1 of chapter XII (Transportation and Tourism). In addition, the highly developed functions of travel organizations in Japan in the context of both outbound and inbound congress travel are discussed in section 6a. of chapter VIII, for they bear quite specifically on the US market and its potential.

⁹Such coordination function have been assumed, for instance, by the Federation of American Societies for Experimental Biology, which comprises six medical-scientific societies.

V. MARKET INTELLIGENCE

There are only two comprehensive sources of worldwide congress market intelligence:

1. Union of International Associations (UIA)
Brussels
2. World Meetings Information Center
Chestnut Hill, Mass.

The Union of International Associations publishes an annual **International Congress Calendar** and also provides, on a subscription basis, a service of periodic printouts listing the latest-available information. The World Meetings Information Center publishes the annual **World Meetings** listings in three volumes: U.S. and Canada (subdivided between social and behavioral sciences, education, and management), overseas meetings, and all other meetings.

Both sources encompass all sponsors and organizers of meetings and both have developed control and follow-up systems. Even so, persons active in sales of congress sites, facilities and services, and the experience of the present study point to a substantial error factor even in the relatively up-to-date UIA printout service. Clearly, both errors and omission of important data (e.g., number of persons expected to attend a given event) are a function of the basic reporting by the associations and other meeting sponsors themselves, who are unlikely to be inconvenienced by the publication of outdated or erroneous information.

In the course of the study it was found that approximately 20 to 25 percent of published addresses were out of date, i.e., that the organization concerned had moved or that association-secretariat responsibilities had been passed on to another person elsewhere (this, particularly prevalent among associations with university-connected secretariats). Similar discrepancies are borne out by the experiences of those who must call on associations in the course of their congress-related work and who must go to considerable lengths to track down their prospects.

Some professional organizers, aiming at certain market segments, whether in terms of geography, size of meetings, or substance, have sought to build up their own listings (also used to identify probable decision makers). However, beyond a certain restricted scale, the process becomes enormously costly and time consuming, particularly when forward-planning information is sought.

The principal comprehensive published listings provide, in theory, a lead time of two years, but information for the second year may already be inconsistent, while that for the current year may be of little use if publication of the calendar is delayed.

National and local listings, and those published by some of the major air carriers, tend to be too restrictive in scope to be of practical use. They rarely show more than the title of the meeting, the venue site, and dates, excluding information on size or the organizers' name and address. Professional and trade journals are at times more informative, but are a source far too diffused to be of practical market-wide use.

In summary, then, the current sources of market information listed at the outset of this section remain the best-available basis for individual efforts to cover the market, provided that there is the willingness to reckon with a substantial research effort where published information proves to be erroneous.

VI. THE GEOGRAPHY OF THE MARKET

This chapter reviews the international congress and meetings market's venue distribution for the years 1973 and 1974, with current firm future plans through 1976 (to the extent to which they are available).

This discussion covers the geographic regions which constitute the basic competitive venue areas or, perhaps more correctly, the basic complementary areas where a system of intercontinental venue rotation applies. The data rest on an analytical count using the **International Congress Calendar** (1973 and 1975 editions) of the Union of International Associations (UIA) as the principal source (supplemented by first-hand data obtained in the course of this study's interview program).

The basic criteria for including a given meeting in the count are (1) its sponsor's international character;¹ and (2) the meeting's non-governmental nature. Excluded, however, are certain very large conventions of non-professional organizations or clubs which lack a substance-oriented purpose. Though these sometimes bear the prefix "international," they are basically domestic organizations with exclusively national venues that are further restricted in choice of site by the vast numbers of participants involved (e.g., between 10,000 and 30,000—numbers that would unduly inflate any venue averages shown).

Attendance figures here are based on **minimum participation** wherever published data show an attendance range. This approach has been adopted to counter a tendency by some organizations to inflate the upper limit of their attendance projections, and the validity of this approach is largely borne out by the experience of the extensive interview program carried out in the course of this study.

On the other hand, it should be noted that the analysis of overall market size (see chapter VII) includes, among its analytical steps toward establishing market-size ranges, an allowance of +12.5 percent in an effort to arrive at **median attendance** figures, which are shown together with the minima established in this chapter.

The median figures used later are regarded as quite optimistic and the overall analysis tends strongly toward accepting the lower figures established here as realistic. As a result, the 12.5 percent inflator coefficient has not been applied in this geographical review, though attention is drawn to the fact that it is taken into consideration in the following chapter.

In addition, the overall analysis also comprises varying inflator coefficients as an allowance for events not reported in the basic reference material. While these coefficients have been established in the light of experience on a regional basis, it is deemed inappropriate to apply them in a breakdown that is as geographically detailed as that shown here. Again, then, it should be noted that, at a more comprehensive stage of the analysis, allowances for non-reported events are applied, on a **regional basis**.

¹Included in the count are all meetings of regional associations (e.g., North American, European, Pacific area, Asian, and so forth). Discrimination on the basis of title alone is at times misleading, for the title "international" is often applied to organizations with a very narrow geographical membership spread. Furthermore, organizations with geographically restrictive titles can and do meet outside the area implied in their titles. In addition, meetings of national associations with a foreign venue are included in the count since they are in fact part of the international venue market.

Although the data for 1973 and 1974 are generally comparable, it is important to stress that there are year-to-year changes in reporting consistency. Personnel changes among association secretariats can entail changes in individual reporting procedures. The publishers of the principal directories also note highly conscientious and comprehensive reporting by host organizations or sponsoring NGTOs or government convention bureaus in Eastern Europe, South Africa and some of the new venue sites outside Europe and North America (who are especially interested in obtaining exposure in industry publications).

The data for the years 1975 and 1976 are not comparable with those for the preceding period, primarily because of time lags in reporting forward plans even where firm forward plans have been made.² The 1975 and 1976 data are thus at best self-contained indicators rather than signposts to continuing trends.

There is considerable inconsistency in reporting expected attendance, and where average attendance data are shown below, the number of events on which they are based are shown in parentheses to indicate the strength (or weakness) of the data base. Where that base is too small to permit any kind of valid deduction, attendance averages have been omitted.

The presentation below is by regions, as follows:

1. **North America**
 - a. United States
 - b. Canada
 - c. Mexico
2. **Europe**
3. **Israel**
4. **Japan and South-East Asia**
5. **Australia**

1. North America

a. United States

Past and forward international meetings are shown (as to average attendance size) by individual states and primary cities in the United States within the following table, 6-1.

In all, and bearing in mind the inherent reporting weaknesses and inconsistencies, the number of clearly identifiable international congresses and meetings held in the United States rose from 84 in 1973 to 114 in 1974, an increase of 35.7%.

Although the basis for regional comparisons is somewhat too narrow, it is noted that the three principal venue sites of the north-eastern United States (Boston, New York City, and Washington, D.C.) accounted for 27 events (32.1 percent of the total) in 1973, and 36 events (31.5 percent of the total) in 1974—an increase of 33.3 percent in numbers of events. A somewhat sharper relative rise (35.3 percent) was registered in the West Coast area (Washington, Oregon, and California). This area holds an inherent touristic attraction both in Europe and in Japan—that is, in the principal originating markets (other than the U.S. and Canada) in the international congress circuit.

²Where meeting frequency is fairly high, e.g., annual or biennial meetings, certain associations hesitate to publicize more than one event at a time lest marginally interested persons be tempted to make a choice among the events forecast, omitting attendance at the next event in favor of the one following. Directory publication has little bearing on this point, but where associations adopt a "one at a time" policy, it tends to influence their reporting procedures.

Table 6-1.—Breakdown of International Meetings by U.S. Area of Venue and by Size

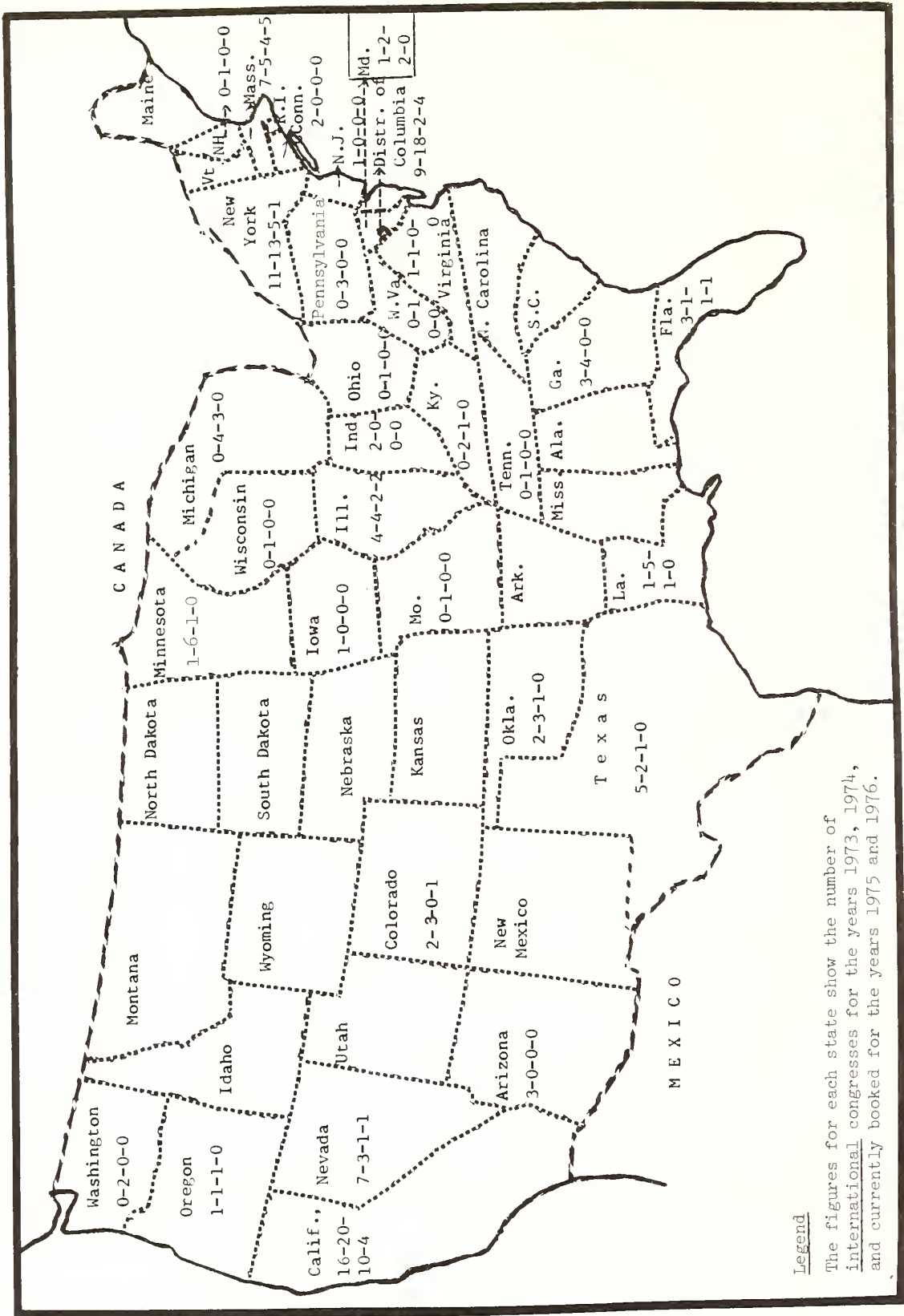
(Data availability permitting)

State or location	1973		1974		1975		1976	
	No.	Aver. size*	No.	Aver. size*	No.	Aver. size*	No.	Aver. size*
Arizona	3	180 (2)	—	—	—	—	—	—
California								
Los Angeles	5	250 (3)	3	440 (3)	1	..	2	..
San Francisco	6	1,275 (2)	13	1,140 (10)	9	1,610 (4)	2	..
Other sites	5	..	4	..	..	..	..	..
Colorado	2	6,500 (2)	3	..	—	—	1	300 (1)
Connecticut	2	..	—	—	—	—	—	—
District of Columbia . .	9	1,180 (7)	18	1,150 (12)	2	..	4	..
Florida	3	..	1	1,500 (1)	1	25,000 (1)	1	250
Georgia	3	..	4	..	—	—	—	—
Hawaii	1	..	6	480 (3)	1	1,800 (1)	2	..
Illinois	4	3,500 (2)	4	..	2	..	2	..
Indiana	2	..	—	—	—	—	—	—
Iowa	1	500 (1)	—	—	—	—	—	—
Kentucky	—	—	2	..	1	..	—	—
Louisiana	1	..	5	350 (3)	1	1,200	—	—
Maryland	1	2,000 (1)	2	1,300 (2)	2	..	—	—
Massachusetts	7	1,700 (6)	5	..	4	..	5	1,500 (2)
Michigan	—	—	4	..	3	430 (3)	—	—
Minnesota	1	..	6	2,910 (4)	1	..	—	—
Missouri	—	—	1	..	—	—	—	—
Nevada	7	1,330 (7)	3	800 (3)	1	2,500 (1)	1	750 (1)
New Hampshire	—	—	1	..	—	—	—	—
New Jersey	1	155 (1)	—	—	—	—	—	—
New York								
New York City	10	780 (6)	11	..	2	..	1	..
Other New York sites . .	1	..	2	..	3	330 (3)	1	..
Ohio	—	—	1	..	—	—	—	—
Oklahoma	2	1,550 (2)	3	850 (2)	1	200 (1)	—	—
Oregon	1	..	1	1,200 (1)	1	2,000 (1)	—	—
Pennsylvania	—	—	3	..	—	—	—	—
Tennessee	—	—	1	..	—	—	—	—
Texas	5	1,200 (4)	2	..	1	—	—	—
Virginia	1	..	1	250 (1)	—	—	—	—
Washington	—	—	2	..	—	—	—	—
West Virginia	—	—	1	300 (1)	—	—	—	—
Wisconsin	—	—	1	..	—	—	—	—

*Figures in parentheses denote the number of events on which averages shown are based.

For a graphic illustration of venue distribution by states, see map on the following page (Illustration 6-1).

ILLUSTRATION 6-1
 SKETCH MAP OF THE UNITED STATES SHOWING CONGRESS-VENUE DISTRIBUTION



Legend

The figures for each state show the number of international congresses for the years 1973, 1974, and currently booked for the years 1975 and 1976.

b. *Canada*

Table 6-2.—Breakdown of International Meetings by Canadian Area of Venue and by Size
(Data availability permitting)

Province or location	1973		1974		1975		1976	
	No.	Aver. size*	No.	Aver. size*	No.	Aver. size*	No.	Aver. size*
Atlantic provinces . .	1	..	2	..	—	—	—	—
Quebec								
Montreal	9	1,030 (7)	16	1,450 (7)	8	1,030 (3)	—	—
Quebec City	1	..	4	..	1	..	1	500 (1)
Ontario								
Ottawa	2	..	4	..	3	225 (2)	4	..
Toronto	8	1,600 (3)	13	1,600 (5)	8	2,250 (2)	—	—
Other sites	—	—	2	..	1	..	—	—
Manitoba	—	—	2	575 (2)	—	—	—	—
Saskatchewan	—	—	1	..	—	—	—	—
Alberta	2	..	3	570 (2)	3	..	5	1,150 (2)
British Columbia								
Vancouver	4	..	3	2,500 (3)	5	1,340 (4)	—	—
Other sites	—	—	1	70 (1)	—	—	—	—

*Figures in parentheses denote the number of events on which averages shown are based.

For a graphic illustration of the venue distribution by provinces, see map on the following page (Illustration 6-2).

In all, the total number of international congresses as defined here held in Canada rose from **27 events in 1973** to **51 events in 1974**, an increase of 88.8%. Events planned for 1975 and reported in the third quarter of 1974 are already at 29, with a probable reporting base of 50 percent or less.

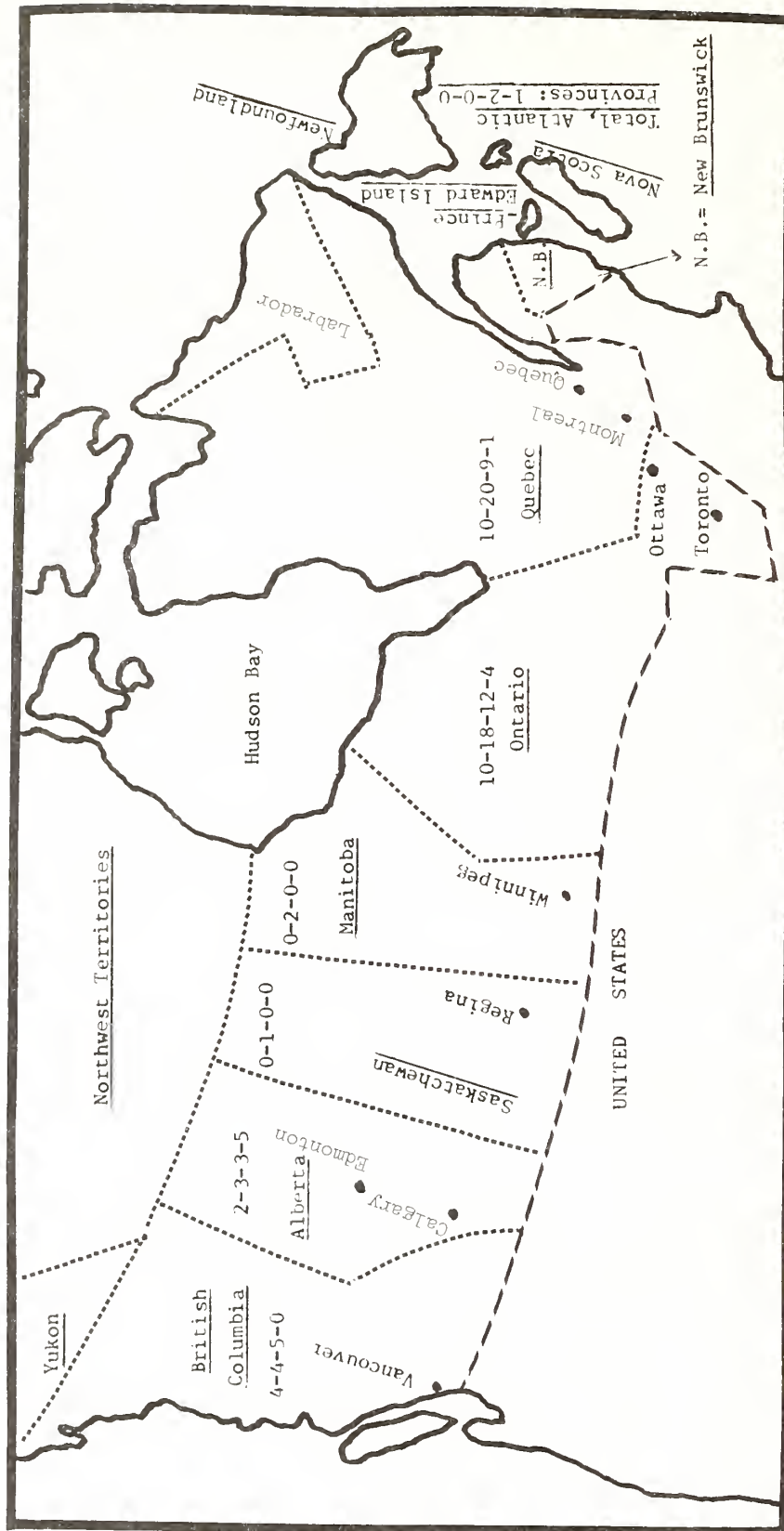
In the case of Canada, however, the reporting base is particularly weak because conventional international listings do not always show joint meetings in which Canadian professional societies hold common events with their United States and British counterparts.

c. *Mexico*

Currently publicized congress production in Mexico has increased from **16 international events in 1973** (with an average attendance of 1,820 based on known figures for 6 of these events) to **33 events in 1974** (with an average attendance of 1,690 based on 6 events). Planned and booked congresses total 19 for 1975, and 7 for 1976.

A majority of the events included above were or are to be held at Mexico City.

ILLUSTRATION 6-2
 SKETCH MAP OF CANADA SHOWING CONGRESS-VENUE DISTRIBUTION



Legend:
 - - - International boundary.

..... Provincial & territorial boundaries.

The figures for each province show the number of international congresses for the years 1973 and 1974, and currently booked for 1975 and 1976, in that order.

2. Europe

The country tables shown below cover all reported international congresses and meetings held in the countries concerned in 1973 and 1974, with currently-known forward events for 1975 and 1976. The primary source of base data—the **UIA International Congress Calendar**—has been supplemented wherever possible by specifics obtained in the course of this study's interviewing program.

An estimated 65 percent of the total attendance embraced by the tables below can be termed European in topical attraction; that is, representing attendance at meetings with a primarily European topical attraction or orientation. An estimated 50 to 55 percent of the total attendance covered is represented by events that should be deemed limited to a European venue-site choice, whether for constitutional (charter) or topical reasons. The balance is not limited.

These estimates are clearly subjective and rest on the study's appraisal of market potentials under optimal conditions, particularly including a dynamic exploitation of joint (overseas) meetings between purely European associations and their American counterparts, possibly with an incentive and study-tour element added.

Wherever possible, the tables below are broken down by types of venue sites in the light of the choices offered by each of the countries concerned, e.g., the capital city, other major cities, other towns, resorts, and university towns (the latter, where the university as such is clearly the determining choice factor).

To the extent to which the base data used rely heavily on existing reporting and decision-making patterns, it should be noted that forward figures for 1975 and 1976 are not comparable with those for the preceding years. In general, venue decisions for larger events tend to be reported farther ahead of the actual event, so that averages for 1975 and 1976 are, in many instances, distorted by this factor.

Two types of summaries of the European material presented above follow: (1) A review of the geographical distribution by number of events, by countries and by major cities; and (2) a review of the geographical distribution by average attendance.

a. Geographical Distribution by Number of Events

Due to the reservations that apply to forward reporting of events scheduled for 1975 and later, the summary shown here is limited to the years 1973 and 1974. Although this is a time frame that is clearly too small to establish any trends, it does permit a current relative-status appraisal and comparative ranking, both in terms of the principal countries of venue and of major (capital or other) cities.

Although short-term changes in the number of events held in any given country or city reflect no more than the fortunes of rotation among international congresses and meetings (as well as year-to-year changes in the accuracy of reporting), interest attaches to the marked emergence of both London and Paris (paralleled by similar positions for the United Kingdom and France) in 1974. This development illustrates basic finding of the study: that organizers, as well as the appropriate decision makers, are increasingly drawn to major world cities that offer good facilities, accommodations, conference services, and a high degree of built-in tourist attraction.

Table 6-3.—Average Attendance of Events by Venue Site (Europe), Past and Forward: 1973-76

Country; venue sites by category, type	1973			1974			1975			1976		
	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*
AUSTRIA												
Vienna.....	34	500 (13)	29	350 (16)	4	..	2	..				
Other cities [Graz, Innsbruck, Salzburg]	11	445 (10)	15	300 (11)	..	..	..	..				
Resorts	12	480 (11)	22	295 (19)	3	..	..	..				
Total	57	475 (34)	66	315 (46)	7	..	2	..				
BELGIUM												
Brussels**	46	500 (18)	39	230 (20)	7	400 (4)	2	..				
Liège	15	315 (8)	10	585 (6)	4	..	..	..				
Other sites	14	510 (6)	9	..	3	..	4	..				
Total	75	455 (32)	58	495 (28)	14	..	6	..				
DENMARK												
Copenhagen	22	600 (14)	20	330 (10)	10	1,000 (7)	1	..				
Other sites	12	300 (8)	19	210 (8)	7	330 (5)	5	..				
Total	34	490 (22)	39	275 (18)	17	720 (12)	6	..				

*Figures in parentheses denote the number of events on which the averages shown are based. Averages rounded to the nearest unit of five.

**The number of events shown includes the regular series of seminars at the von Karman Institute of Fluid Dynamics held at Brussels University [10 seminars in 1973; 9 in 1974].

Table 6-3.—Average Attendance of Events by Venue Site (Europe), Past and Forward: 1973-76—Continued

Country; venue sites by category, type	1973			1974			1975			1976		
	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*
FRANCE												
Paris	52	620 (16)	63	615 (22)	19	770 (11)	8	..	..	..	..	..
Other major cities												
[Marseille, Lyon, Bordeaux,												
Toulouse, Strasbourg] . . .	15	430 (6)	24	710 (12)	3	..	..	..	..	..	..	..
Côte d'Azur resorts	15	880 (12)	12	790 (4)	3	1,000 (3)	3	..	..	..	..	..
Alpine resorts	4	430 (4)	4	..	..	..	..	..	..	..	..	..
Others; site not yet determined	25	380 (10)	32	335 (13)	3	..	..	..	..	..	..	..
Total	111	595 (48)	135	520 (51)	28	819 (14)	11	..	..	..	..	..
GERMANY, FED. REP.												
Munich	24	730 (20)	18	400 (7)	3	..	2	..	..	..	..	..
Hamburg	6	..	19	300 (12)	1	..	3	..	..	..	..	..
Other major cities												
[Frankfurt, Cologne,												
Düsseldorf, Stuttgart] . . .	17	350 (11)	19	500 (7)	2	..	1	..	..	..	..	..
Berlin (West)	13	2,400 (7)	26	1,940 (17)	3	1,000 (3)	1	..	..	..	..	..
University towns	7	..	7	230 (3)	2	..	..	..	..	..	..	..
Resorts	10	490 (5)	12	510 (9)	5	..	1	..	..	..	..	..
Other towns	21	640 (11)	23	965 (12)	3	..	..	..	..	..	..	..
Site not determined	5	..	8	..	..	..	..	..	..	..	..	..
Total	103	780 (60)	132	805 (79)	19	450 (11)	8	..	..	..	..	..

*For note, see preceding page.

Table 6-3.—Average Attendance of Events by Venue Site (Europe), Past and Forward: 1973-76—Continued

Country, venue sites by category, type	1973			1974			1975			1976		
	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*
HUNGARY												
Budapest	16	465 (9)	28	795 (16)	9	..	2	..	..	..	..	..
Other sites	5	..	4	..	..	..	..	..	..	..	..	..
Total	21	380 (12)	32	750 (17)	10	..	2	..	..	..	..	..
IRELAND												
Dublin	20	755 (20)	15	370 (13)	7	435 (4)	4	885 (3)	..	..	..	..
Other sites	5	..	7	185 (6)	..	..	..	..	..	..	..	..
Total	25	665 (23)	22	310 (19)	7	435 (4)	..	..	..	..	..	..
MONACO												
.....	16	540 (16)	..***	..***	1	..	..	..	..	..	..	..
NETHERLANDS												
Amsterdam	23	580 (13)	18	210 (10)	4	..	4	..	..	..	..	..
The Hague-Scheveningen ...	16	440 (7)	6	..	..	..	1	..	..	..	..	..
Rotterdam	8	430 (5)	9	390 (5)	..	..	..	..	..	..	..	..
Other sites, and location not determined	11	..	20	215 (8)	10	..	..	..	..	..	..	..
Total	58	455 (28)	55	280 (25)	14	..	5	..	..	..	..	..

* See footnotes, p. 60.

***No meaningful data available due to inadequate reporting.

Table 6-3.--Average Attendance of Events by Venue Site (Europe), Past and Forward: 1973-76--Continued

Country; venue sites by category, type	1973			1974			1975			1976		
	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*
SWITZERLAND												
Major cities												
[Geneva, Zurich, Lausanne, Berne]	65	770 (40)	58	405 (39)	10	955 (5)	3					
Montreux ¹	5	1,800 (4)	5	445 (5)	2							
Resorts, exclude Montreux . . .	9	210 (4)	13	945 (6)								
Other towns	15	200 (6)	11	160 (6)	1							
Total	94	740 (54)	87	440 (56)	13							
UNITED KINGDOM												
London	46	620 (20)	63	540 (29)	15	520 (10)	6					
Major provincial cities ²	24	430 (16)	32	330 (20)	11	565 (7)	2					
Resorts ³	13	2,440 (7)	16	940 (14)	9	930 (6)	1					
University towns	10	260 (6)	12	245 (7)	4							
Other sites	21	160 (6)	12	160 (3)	6	435 (4)	3					
Total	114	700 (55)	135	535 (70)	45	615 (29)	13					

*See footnotes, p. 60.

¹ Because of the number of self-generated events, Montreux is shown separately from other resorts.

² Aberdeen, Birmingham, Bristol, Cardiff, Coventry, Dundee, Durham, Edinburgh, Glasgow, Manchester, Newcastle-on-Tyne, Stafford, Swansea, York.

³ Bath, Brighton, Eastbourne, Harrogate, Scarborough, and the Channel Islands.

Table 6-4.—Number of Events, by European Countries

1973		1974	
United Kingdom	114	United Kingdom	135
France	111	France	135
Germany (F.R.)	103	Germany (F.R.)	132
Switzerland	103	Switzerland	87
Belgium	75	Austria	66
Netherlands	58	Belgium	58
Austria	57	Netherlands	55
Denmark	34	Denmark	39
Ireland	25	Hungary	32
Hungary	21	Ireland	22
Monaco	16	(Monaco)	(.)

Table 6-5.—Number of Events, by Major European Cities

1973		1974	
Geneva	} 65	London	63
Lausanne		Paris	63
Zurich		Geneva	} 58
Berne		Lausanne	
Paris	52	Zurich	
Brussels	46	Berne	
London	46	Brussels	39
Vienna	34	Vienna	29
Munich	24	Budapest	28
Amsterdam	23	Berlin	26
Copenhagen	22	Copenhagen	20
Dublin	20	Hamburg	19
Budapest	16	Munich	18
Berlin	13	Amsterdam	18
Hamburg	6	Dublin	15

Table 6-6.—Average Attendance of Events, by Country and by City or Type of Venue Site (Europe), 1973-74

Country	1973		1974	
	City	Other type of venue site	Country	City
Germany . . . 780	Berlin* . . . 2,400	UK resorts 2,440		Berlin* 1,940
	Montreux . . 1,800			
		France, Côte d'Azur . . 880	Germany . . . 805	
	Geneva . . . } Zurich . . . } Lausanne . . } 770 Berne . . . } Dublin . . . } 755			Budapest . . . 795
	Munich 730		Hungary . . . 750	
Switzerland . 740				
U.K. 700				
Denmark . . 690				
Ireland . . . 665				
	London 620	Germany, other towns . 640		
	Paris 620			Paris 615
	Copenhagen . 600			
France . . . 595				Liège 585 London 540

[Continued]

*The Berlin figures are substantially inflated by a single annual event relating to continuing medical education, with attendances ranging to 20,000.

Table 6-6.—Average Attendance of Events, by Country and by City or Type of Venue Site (Europe), 1973-74—Continued

1973		1974	
Country	City	Other type of venue site	Country
Monaco 540	Amsterdam . . . 580	Belgium, other sites 510	France 520
	Brussels 500		
	Vienna 500	Germany, resorts 490	
Denmark 490			
Austria 475	Budapest 465	Austria, resorts 450	Montreux 445
Netherlands 455		Austria, major cities 445	
	The Hague 440	France, major cities 430	Geneva, Zurich . . . } 405
	Rotterdam 430	France, Alps 430	Lausanne, Berne. . }
			Munich 400
			Rotterdam 390
Hungary 380			
		France, other 380	Dublin 370
		Germany, major 350	Vienna 350
	Liege 315		Copenhagen 330
		Denmark, other towns . . . 300	Hamburg 300
		UK, univ. towns 260	
		Switzerland, resorts 210	Brussels 230
		Switzerland, other sites . . 200	Amsterdam 210
		UK, other towns 160	
			UK, univ. towns 245
			Denmark, other towns. 210
			UK, other towns 160
			Switzerland, other sites 160

The following tables show the geographic characteristics of events that relate to the sizes of the congresses themselves. Analysed by three factors—type of site, city, and country—they show average attendance per congress in a “graduated” arrangement that places each venue or type of venue on a scale from largest to smallest numbers of participants, and compares these factors for 1973 and 1974 to illustrate the extent to which they change or remain stable from year to year.

Although the preceding table covers only a two-year time frame, it suggests a downward shift in average attendances, particularly in respect of the major congress cities of Europe. Since this shift is based on attendance forecasts made largely during the preceding year, it is at least indicative of a **trend toward smaller events** that became apparent in 1974, independently of general trends in the world economy. Concurrently, the number of events reported in the preceding tables has grown from a total of 701 in 1973 to 761 in 1974 (excluding Monaco and an indeterminate number of corporate meetings and smaller symposia reported far less fully in 1974 than in the preceding year).

4. Israel

In the case of Israel, special political circumstances apply, primarily strong supportive feeling among a number of major international associations after the “October War” of 1973. This war in itself, however, led to the cancellation of a number of events included in the table below.

Table 6-7.—Average Attendance by Venue Site (Israel)

Venue site	1973		1974		1975	
	No. of meetings	Average attendance	No. of meetings	Average attendance	No. of meetings	Average attendance
Tel aviv	13	655 (9)	30	575 (26)	1	. .
Jerusalem	23	600 (15)	23	1,130 (18)	5	2,000 (3)
Other sites	15	. .	13	290 (8)	5	. .
Total	51	610 (25)	66	725 (52)	11	. .

Figures in parentheses denote the number of events on which the averages shown are based. averages rounded to the nearest unit of five.

As already noted earlier, Israel has been particularly strong in generating new events, often outside the established circuit of international meetings and smaller meetings supplementary to major congresses held in the Mediterranean area. Many of these events are not reported in advance, so that the figures shown above tend to be on the conservative side, even allowing for cancellation of events when security conditions are adverse.

4. Japan and South-East Asia

Japan and South-East Asia—notably Hong Kong and Singapore—have begun to loom large on the international congress and meetings map. However, reporting to the conventional directory sources used in the earlier parts of this chapter is still incomplete and largely confined to events sponsored by associations reporting directly from their European headquarters.

Table 6-8.—Average Attendance of Events by Venue Site (Japan and South-East Asia), 1973-76

Country; venue sites by category, type	1973			1974			1975			1976		
	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*
JAPAN												
Tokyo	39	480 (33)	32	535 (32)	18	960 (18)	13	810 (12)				
Kyoto	10	690 (10)	11	525 (10)	5	930 (5)	3	..				
Other sites or not yet determined	5	230 (5)	5	340 (5)	7	975 (5)	4	..				
Total	54	495 (48)	48	510 (47)	30	965 (28)	20	865 (16)				
HONG KONG												
.....	3	..	7	550 (7)	17	² 715 (14)	9	² 465 (9)				
SINGAPORE												
.....	70	140 (70)	70	130 (49)	54	110 (54)	46	175 (45)				

¹The Tokyo figures include a number of events in which the venue is split between that city and Kyoto.

²1975 and 1976 attendance averages estimated on the basis of current expectation.

*Figures in parentheses denote the number of events on which the averages shown are based. Averages rounded to the nearest unit of five.

Table 6-9.—Average Attendance of Events by Venue Site (Australia), 1973-76

Site	1973			1974			1975			1976		
	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*	No. of meetings	Average attendance*
Canberra	6	..	8	390 (6)	1	..	1	..				
Melbourne	6	810 (4)	19	365 (19)	6	940 (5)	1	..				
Sydney	17	950 (13)	12	545 (10)	20	2,100 (15)	4	2,050 (4)				
Others	13	715 (8)	24	555 (24)	12	290 (12)	6	..				
Total	42	795 (28)	63	480 (59)	39	1,355 (32)	12	1,410 (11)				

*Figures in parentheses denote the number of events on which the average shown are based. Averages rounded to the nearest unit of five.

The data in the present section, therefore, rest on national sources in the countries concerned, primarily the Convention Calendars issued at frequent intervals by **Japan National Tourist Organization (JNTO)**, the **Hong Kong Tourist Association (HKTA)**, and the Singapore Convention Bureau of the **singapore Tourist Promotion Board (STPB)**. In each case, these sources are supplemented by additional information gathered during this study's interview program in the countries concerned.

It will also be noted that forward reporting for the years 1975 and 1976 is somewhat more complete than that shown in the European section above. This is a result of tighter liaison between the national organizing committees in the host countries and the reporting national tourist authorities and, in part, a function of the longer lead times involved in specific instances.

Finally, it is noted that there is more accurate and consistent reporting of corporate meetings and seminars than is the case elsewhere. Here, again, reporting procedures reflect cooperation between industry and government in furthering commercial contacts and, especially in South-East Asia, a realization that certain types of corporate or sales meetings held in the area have strong incentive overtones. This realization hinges on the fact that the area has established itself as the **prime European long-haul tourism destination** over the past decade.

It should be stressed that the Singapore averages shown in Table 6-8 reflect the comprehensive data obtained locally. On the basis of excluding smaller corporate meetings, seminars and quasi-incentive events, the averages for the larger congress-type events would be:

1973	325 persons
1974	370 persons

with an average attendance at the smaller events, including seminars and symposia, remaining stable at about **75 persons**.

5. Australia

The data on the Australian inbound congress and meetings market are drawn both from international sources and from those provided by Conventions and Group Tours Department of the Australian Tourist Commission in Melbourne, and reflect only those events which are either international in their basic character or attract a significant regional or international attendance.

As in other instances, the greater lead times for larger events are reflected in the forward reporting for 1975 and 1976, but in this case the relative volume of such reporting suggests that the higher averages for the years ahead suggest a significant trend toward greater Australian competitiveness in the world and Pacific regional markets for major international events.

6. An Analytical Review

On the whole, the key venue areas reviewed in this chapter showed an increase in the number of reported non-governmental congresses and meetings with significant international participation from 1,041 in 1973 to 1,220 in 1974—an increase of 17.2 percent as illustrated in the following summary table.

Table 6-10.—Number of Reported International Events

	1973	1974
United States	84	114
Canada	27	51
Europe, key markets ¹	615	761
Israel	51	66
Japan	54	48
Hong Kong	3	7
Singapore	² 70	² 70
Australia	41	63
Mexico	16	33

¹Comprising Austria, Belgium, Denmark, France, Germany (F.R.), Hungary, Ireland, the Netherlands, Switzerland, and the United Kingdom.

²Including full reporting of small (corporate) meetings on which reporting in other market areas is uneven.

Concurrently, average attendance for international events in the market area covered above (but excluding Hong Kong, for which the 1973 base is too narrow), treated as a whole, rose from 565 persons (based on data for 605 events) to 580 persons (based on 686 events), but with the variations, by main areas, illustrated in the following chart.

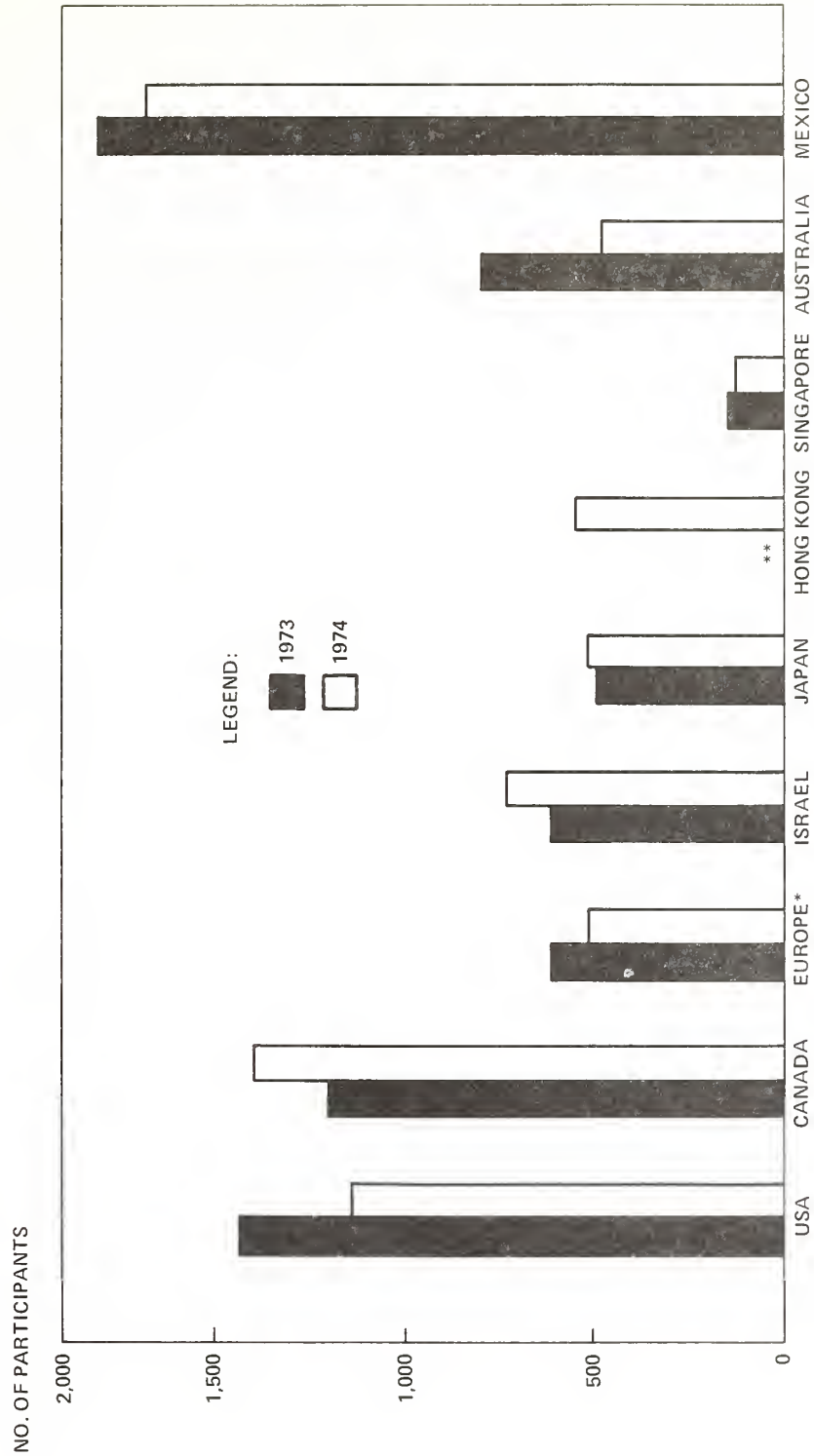
While the overall topic of congress size and related trends is discussed in more detail in chapter VII, it may be noted here that both in terms of this chapter's findings and the conclusions drawn from the study's interview program, Europe and Japan tend to be the international congress market's most representative areas. This illustrates that the market's center of gravity (and long-term development) lies in the area of a proliferating number of events with an average attendance at around the 500-person mark.

Given overall trends toward increasingly specialized congresses with a serious working purpose, venue geography becomes increasingly divorced from a need for vast convention centers and, to a lesser extent, from the purely touristic attraction of venue sites.

Instead, high quality, flexible facilities and accommodations, good communications, and a substantive attraction (in terms of the congress' topic) become added geographic determinants to the extent to which basic decision-making factors permit any flexibility of venue choice. Underlying these factors, however, there remains the seemingly vague factor of a "pleasant" or "attractive" site.

CHART 6-1

Average Attendance at Reported International Events, by Main Venue Areas



* KEY MARKETS, AS DEFINED IN FOOTNOTE 1 OF THE PRECEDING TABLE.

** NOT AVAILABLE FOR 1973.

In any event, these definitions tend to be applied increasingly to the major world cities which offer congress participants a variety of choices such as: isolating themselves in order to spend as much time as possible with their colleagues: visiting local facilities of topical interest: or joining into the life and the attractions of the city concerned. While isolation (at a resort or a university campus) remains a prime motivation among certain segments of the scientific and medical-meeting market, the world-city trend is pronounced, with a rotation that still centers on Europe. However, this rotation increasingly also comprises Japan, North America and perhaps Australia—with South-East Asia as a secondary center to attain Pacific Rim coverage or participation.

To some extent, however, geographical considerations can be accidental, or a given event can result in an automatic identical venue choice for other related events.

7. Topical Nuclei

Special economic importance attaches to **interrelated congresses** that form a coordinated topical nucleus that embraces a range of interests with a common denominator or central theme which virtually predetermines the venue site and time frame of one or more related or subsidiary congresses or meetings. This is particularly prevalent in the sciences and in the medical field, in which subspecialties tend to meet at least close to the “umbrella” specialty (e.g., the gastro-enterological congress in Mexico in October 1974 also attracted the endoscopy congress to the same site and general time frame).

A prime example of the extent to which cognate meetings can be attracted by a topical nucleus is provided by the congress of the Universal Esperanto Association held in Hamburg, Germany, from July 27 to August 3, 1974, with an estimated attendance of 2,000 persons.

This event attracted the following related but separate meetings:

<u>Event</u>	<u>Dates</u>	<u>Attendance</u>
International Esperantist Scientific Association, general assembly	7.27 - 31	70
International Esperanto Association of Jurists, miscellaneous meetings. .	7.26 - 8.3	40
Esperanto Academy, meeting	7.27 - 8.3	. .
International League of Esperanto Amateur Photographers, Cinephotographers and Tape Recording, conference	7.28 - 8.3	75
International League of Esperanto Radio Amateurs, general assembly . .	7.29 - 8.2	20
Quaker Esperanto Society, Business and Publicity meeting	7.30	50
Quaker Esperanto Society, meeting	. .	200
Scout Esperanto League, congress	8.3 - 10	. .

Thus specialized interests were drawn into the main event, possibly generating additional attendance or longer stays at the venue site in addition to the obvious economic benefits to the venue site generated by the additional events and their specific programs.

VII. THE SIZE OF THE MARKET

1. Introduction

There are as many estimates of the size of the worldwide international convention and congress market as there are studies and analyses. Almost inevitably, all such analyses must rely on available counts of reported events, adding an inflator factor to cover the evident under-reporting, and it is usually at the level of the inflator factor that a degree of subjective variation enters into the picture.

Forward projections, similarly, tend to rest on recent experience at a time when growth rates, especially in the number of events, have been particularly high.

The evident under-reporting of events, and frequent lack of attendance data, are an obvious barrier to accurate counts. But further complications arise from divergences in definition of what actually constitutes an "international" congress or other event. There are areas of the market in which there is a clear-cut answer. Events preceded by the title "international" should be counted as such, although even on this issue valid questions may be raised.

In essence, and particularly in the context of this study, an international event might validly be defined as one that "can travel"—that is to say, an event with a venue that is susceptible to geographical shift or to systematic rotation from one meeting to the next. There is, on the other hand, a growing number of stationary events that, attract—and often are designed to attract—international participation, frequently on a significant scale. Such events are international in the sense that they contribute to the flow of international congress travel, though that flow is one-way in its basic character.

This study's findings suggest that this point is important, for a growing element of the worldwide competition among venue sites has recently shifted into the events generated by one site, with a purpose of assuring that site a regular flow of inbound congress visitors to a static event (which seeks to become a traditional fixture on the world meetings calendar).

As a first step in assessing overall market size, however, such special market elements are included in the initial totals, although they will later be isolated among the elements that lie essentially outside any potential United States market due to their static character.

A basic count of all international events reported in standard reference sources, primarily the **International Congress Calendar** (Union of International Associations, Brussels) for the years 1973 and 1974, yields the following breakdown (table 7-1).

The figures shown in table 7-1 yield the following worldwide totals:

	1973	1974
Number of reported events	1,600	1,838
Total (calculated attendance)	987,600	1,116,960
Average attendance	617	608

Table 7-1.—Congress Attendance in Selected World Areas, 1973-74

Area	1973			1974		
	No. of events	Total attendance ¹	Average attendance ²	No. of events	Total attendance ¹	Average attendance ²
North America ³	126	180,470	1,430	208	268,530	1,290
Western Europe ⁴	917	553,000	600	998	502,120	500
Eastern Europe ⁵	113	59,890	530	146	63,700	450
Israel	51	31,100	610	66	47,850	725
Japan ⁶	54	26,730	495	48	24,480	510
Asia, excl. Japan	117	23,440	200	118	41,530	350
Australia and Pacific area ⁷	46	36,570	795	87	42,630	490
Africa	62	28,210	465	61	18,000	295
Latin America and Caribbean ⁸	114	48,200	430	106	⁹ 108,120	⁹ 1,020

¹This has been calculated by multiplying the actual number of all listed events by the attendance averages, established on the basis of those events for which either standard references or the interview program supplied attendance figures.

²Averages based on total calculated attendance (see note 1) and number of events.

³United States, Canada, and Mexico.

⁴Comprising Austria, Belgium, Cyprus, Denmark, Finland, France, Germany (Federal Republic), Greece, Iceland, Ireland, Italy, Luxembourg, Malta, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

⁵Albania, Bulgaria, Czechoslovakia, Germany (Democratic Republic), Hungary, Poland, Rumania, USSR, Yugoslavia.

⁶Data based on national convention sources and interview program data.

⁷Including New Zealand, Fiji, and South Pacific islands. Australian data from national sources.

⁸Including Puerto Rico and Central America.

⁹These numbers are substantially inflated by a single event with 12,000 participants. Excluding this event, the 1974 average would be 915.

These figures represent a highly conservative first step in which, as before, only the lower figure of any range of attendance data has been used. Acceptance of the upper figure of such ranges would raise attendance totals by about 25 percent throughout.

It should be stressed again that the present analysis includes only non-governmental congresses and conventions, and is based as far as possible on isolating **international** events (though not necessarily only events sponsored by an international association or analogous body). This is done in an effort to arrive at a realistic perspective of the market in the literal sense of the term—the totality within which individual events can and do shift venues, and are thus open to existing market forces both in terms of supply and demand. The base is thus substantially narrower than that used in other analyses that rely primarily on simple counts of events, regardless of their character or their susceptibility to market forces.

The question of **under-reporting** affects the association segment of the market less seriously than the corporate and academic segments—the latter mainly in the context of small, informal seminars and meetings. As regards the association segment, the following inflators to the regional figures shown on the preceding page are appropriate:

North America	+ 15 percent
Western Europe	+ 20
Eastern Europe	+ 5
Japan	+ 5
Asia, exclusive Japan; Australia; Israel	+ 10
Africa	+ 5
Latin America and Caribbean	+ 20

These inflators apply to unreported events with attendances approximating the regional averages used here (e.g., see Table 7-1) and cover a range of contingencies such as: 1) events not reported at all; 2) events with a strong international character with titles or other indications suggesting a primarily national character and therefore omitted in the count used here; and 3) an allowance for error in the compilation of basic directories.

In the market segment covering **corporate meetings and small symposia**, non-reporting tends to be the rule rather than the exception, in part because lead times are short and there is minimal interest in inclusion in standard reference works. Conventional statistics do not normally identify such meetings by their international character or otherwise, nor do they isolate purely incentive-type events which are not normally part of the congress and meetings market.

The United States **outbound** market is the backbone of this particular market segment—the corporate meetings and small symposia. Estimates run as high as 1,600 U.S.-originating meetings held abroad, or which some 1,000 meetings are held in countries other than Canada and Mexico. Attendance averages can be realistically estimated at between 150 and 200 persons, with some 30 percent of that attendance generated abroad.¹ Such meetings and seminars of an international character originating in Europe, on the other hand, tend to be fewer in number; 400 such meetings, with an average attendance of 100 persons, would constitute a realistic estimate based on data collected in the course of the present study.

With some of the larger corporate conventions and other types of meetings already included in the initial market totals shown in Table 7-1 the preceding review of this market segment leads to the following estimated allocation of actual numbers:

Table 7-2.—Corporate and Other Small Meetings and Symposia: Estimated Geographic Distribution, 1973-74
(Not elsewhere reported)

Venue area	No. of events	Total attendance	Average attendance
Western Europe:			
U.S. meetings, outbound	1,000	150,000	150
Intra-European meetings	400	40,000	100
Canada and Mexico, U.S. meetings, outbound	600	120,000	200
Japan ¹	20	2,000	100
Australia ¹	20	2,000	100
S.E. Asia, other commercial centers ²	20	2,000	100
Caribbean area	100	15,000	150

¹These are nominal contingency provisions supplementing very detailed local reporting.

²E.g., contingency provision to cover Singapore, Hong Kong, Thailand, Malaysia, Indonesia and Taiwan; meetings not reported elsewhere.

¹There is broad consensus that such meetings should be regarded as "international" regardless of the size of foreign participation because, in their impact, they contribute strongly to international contacts, whether commercial, professional, scientific or academic. Such meetings tend to provide opportunities to invite foreign participants to congresses held in the United States (including national congresses)—an important first step toward internationalizing attendance at national events in this country (see chapter VIII).

The meetings included in the above table tend strongly toward training sessions relating to the use or handling of new products or equipment, to new-product introduction, and reporting on experience in product use, with substantive concentration in the areas of computers, electronic data processing equipment, and the pharmaceutical and chemical industries—in brief, substantive areas with worldwide application in which change and progress occur in rapid succession.

The estimated regional and world totals resulting from the adjustments outlined in the preceding pages are set forth in Table 7-3, resting on the following criteria:

1. Directory count for non-governmental international events, adjusted to median attendance figure within high/low ranges where available;
2. Adjustments for events not reported in international or national directories;
3. Adjustments for unreported corporate and other small meetings and symposia, etc.

Table 7-3.—World-Wide International Convention, Congress and Meetings Market
(Non-governmental only)

Venue area	Median estimates—1973 and 1974 totals					
	1973			1974		
	No. of meetings	Total attendance	Average attendance	No. of meetings	Total attendance	Average attendance
North America [USA, Canada, Mexico]	745	350,100	470	840	462,400	550
Western Europe	2,500	922,700	370	2,600	855,300	330
Eastern Europe	120	70,400	585	155	74,850	485
Israel	56	38,100	680	73	58,620	800
Japan	80	33,410	420	73	30,760	420
Asia, excl. Japan	150	30,670	205	150	52,870	350
Australia and Pacific . .	70	46,800	670	115	54,200	470
Africa	65	33,150	515	64	21,150	330
Latin America, Central America & Caribbean .	240	78,900	330	230	158,260	690
Total	4,026	1,604,230	[400]	4,300	1,768,410	[410]

The data shown above for the years 1973 and 1974 provide a basis for calculating a two-year average to cover at least a major part of the market's cyclical element² by straddling an odd/even-year period. Although no clear-cut insight into the distribution of events between odd and even years could be gained during the study, there is a strong impression that there is a fairly even distribution between off and even-year cycles, though some slight imbalance does exist.

As a result, the following comprehensive tables are based on an average of the key years 1973 and 1974.

²According to a survey carried out in 1967 by the International Peace Research Institute in Oslo and published in *International Associations* (Union of International Associations, Brussels, May 1974), 71 percent of slightly over 900 international organizations which responded to the survey held their congresses biennially or at more frequent intervals.

Table 7-4.—Consolidated Market-Total Estimates, 1973-74 Averages
(Adjusted) ¹

Area	1. Associations, all types					
	A. Totals based on published or stated minimum attendance			B. Totals based on published or stated median-range attendance ²		
	No. of meetings	Total attendance	Average attendance	No. of meetings	Total attendance	Average attendance
North America	192	258,180	1,340	192	283,240	1,475
Western Europe	1,150	633,070	550	1,150	712,200	620
Eastern Europe	130	64,885	500	130	73,000	560
Israel	65	43,420	670	65	48,700	750
Japan	54	26,890	500	54	30,250	560
Asia, excluding Japan	130	35,730	275	130	40,200	310
Australia; Pacific	73	43,560	600	73	49,000	670
Africa	65	24,260	375	65	27,290	420
Latin America, including Central America and Caribbean area	130	93,790	720	130	105,500	810
Total	1,990	1,224,000	615	1,990	1,367,400	685

¹ All figures contain regional adjustments for non-reported events.

² Minimum attendance + 12.5 percent.

All figures rounded off where appropriate.

Table 7.4.—Consolidated Market-Total Estimates, 1973-74 Averages—Con.

(Adjusted) ¹

Area	2. Corporate and other smaller meetings and symposia ²			3. Totals: Consolidated market figures (Association and corporate meetings)			
	No. of meetings	Total attendance	Average attendance	No. of meetings	Median total attendance	Median total attendance	Minimum average attendance
North America	3 600	120,000	200	790	378,180	403,180	480
Western Europe	4 1,400	190,000	135	2,550	829,000	902,200	320
Eastern Europe	—	—	—	130	64,885	73,000	500
Israel	—	—	—	65	43,420	48,700	670
Japan	5 20	2,000	100	74	28,800	32,250	390
Asia, excluding Japan	5 20	2,000	100	150	37,730	42,200	250
Australia, Pacific	20	2,000	100	95	45,560	51,000	480
Africa	—	—	—	65	24,260	27,290	375
Latin America, including Caribbean	6 100	15,000	150	230	108,790	120,500	475
Total	2,160	331,000	155	4,150	1,555,000	1,698,400	375
							410

For explanation of median attendance figures, see footnote 2 on the preceding page.

¹See footnote 1 on preceding page.

²Certain corporate meetings and symposia, and notably those for Japan, Hong Kong and Singapore are included in the association totals; token allowance has been made here to cover unreported events. Figures shown repeat those on p. 75.

³Canada and Mexico only.

⁴Included an estimated 1,000 meetings originating in the USA.

⁵Token allowance for unreported events (see note 2).

⁶Caribbean area.

To the extent to which the present analysis presents new data, it has been considered desirable to explain the progression of analytical steps that lead to the overall market-size estimates—excluding all government-sponsored and intergovernmental meetings—set forth in the preceding two consolidated tables.

The estimates shown in the preceding tables contrast sharply with estimates that are widely accepted (but rarely documented) throughout the industry.³ However, it appears that this study's calculations alone attempt to define the size of the market for events that exclude the (large) sector of governmental-type meetings, including those of the wide range of international, intergovernmental organizations in which venue selection is guided by political and diplomatic criteria.

Clearly, this global total, as well as the regional or area totals shown in the preceding tables, includes (to a varying extent) events of limited or circumscribed mobility which constitute closed-circuit regional markets.

The definition of a rigidly circumscribed closed-circuit market is, of course, a matter of interpretation and insight. Certain regional associations are, by their charter, bound to venues among (regional) member countries or national groups. Others are confined by economic considerations. On the other hand, it is evident that the inclusion of a regional name in an association title is not, in itself, a barrier to a broader choice of venues. Given favorable logistics and cost structures and, above all, given substantive motivation or inducement, particularly in the form of joint meetings with a national or regional association outside the traditional area of activity, a differentiated choice of venues is feasible.

³The most widely quoted standard figures are those established by Professor Ejler Alkjaer of the Institute for Transport, Tourism and Regional Science at the Copenhagen School of Business Administration. The most recent data prepared by Professor Alkjaer (unpublished, mimeo, Copenhagen, Feb. 1974) show the following current distribution and forecasts through 1993:

	1973		1978		1983		1988		1993	
	Events	P	Events	P	Events	P	Events	P	Events	P
Europe	4,508	2,251	6,528	3,258	8,856	4,601	11,267	6,404	13,963	8,854
Asia	515	257	851	425	1,302	677	1,850	1,051	2,539	1,628
Australia	32	16	95	47	196	101	336	191	529	339
Africa	193	96	331	165	521	270	757	430	1,058	678
N. America	644	322	946	472	1,300	677	1,681	956	2,116	1,357
S. America	548	273	710	354	847	440	925	526	952	611
Total	6,440	3,215	9,461	4,721	13,024	6,766	16,816	9,558	21,187	13,567

P = Number of participants (in thousands)

The figures quoted here thus project an increase in average participation per event from 500 in 1973 to 640 in 1993. Increases in the number of events forecast for the 5-year periods of the table above are 47,38,29 and 26 percent respectively, while total attendance is projected to rise at 47,43,41, and 42 percent respectively. It should be noted that the forecasts of rising average attendance contradict widely-accepted current trends, while the projections as a whole do not reflect present and future economic fluctuations in the world economy and in the character of the worldwide congress and meetings market, discussed later in this chapter.

Somewhat higher estimates (for 1972) place the total market at 6,300 events with 3.5 million participants (British tourist Authority, *Conference on Conferences*, London, 1973), while a lower informal estimate puts the 1974 market total at 5,000 events with 2.5 million participants.

Neither the estimates cited here, nor others encountered in the course of this study, however, segregate governmental meetings from the market's "private sector."

Table 7-5 shows an estimate of regional market proportions represented by 1973-74 events that must be deemed part of the respective closed-circuit regional markets—events that cannot “travel” outside their regions for currently insurmountable reasons. The percentages shown cover, separately, the number of events and the number of participants, allowing for the larger average attendance at events of global or inter-regional interest. The estimates apply only to association-sponsored meetings.

Table 7-5.—Estimated Proportions of Regional “Closed-Circuit” Markets, 1973-74

Region	Percentage of total number of events	Percentage of total attendance
North America	30	20
Western Europe	40	30
Eastern Europe	70	60
Japan	50	30
Israel	—	—
Singapore	20	15
Hong Kong	20	15
Asia, other	80	75
Australia	40	30
Africa	80	60
Latin America	80	70

As regards smaller meetings and symposia (primarily sponsored by corporations), criteria different from those that apply to association meetings come into play. In a great majority of instances, venue choices are market or purpose-oriented, and while there is substantial freedom of movement, alternative choices might well negate the purpose of the meeting.

Nevertheless, some leeway should be allowed for an estimated 20 percent of U.S. and European sponsored meetings to choose venues other than those illustrated in the regional breakdown (see table 7-2). In all, some 420 smaller meetings with a combined attendance of about 65,000 can be deemed to have broad freedom of movement between the world's major venue areas, though subject to economic feasibility and utility.

Table 7-6 constitutes an estimate of the worldwide meetings market that is essentially “free to travel,” and excludes the market's closed-circuit elements bound to regional venue sites.

It should, however, be noted that the table below merely illustrates the outer parameters of the wholly free market, for it comprises events whose freedom of movement is theoretical and still contingent on economic and logistic feasibility. Nevertheless, the parameters shown delineate a market that is increasingly open to the idea of intercontinental venue movement.

Table 7-6.—Consolidated Market-Total Estimates

Market totals of meetings deemed to have full geographic freedom
of venue selection, 1973-74 averages

(Based on median attendance)

Area	1. Associations, all types		2. Smaller corporate-sponsored and other meetings and symposia	
	No. of meetings	Total attendance	No. of meetings	Total attendance
North America	135	226,600		
Western Europe	690	498,500	420	65,000
Eastern Europe	40	29,200		
Israel	—	—		
Japan	27	21,200		
Hong Kong	67	12,200		
Singapore				
Asia, other	63	28,000	n.a.	n.a.
Australia, Pacific	44	34,300		
Africa	13	18,900		
Latin America and Caribbean	26	31,700		
Total	1,105	900,600	420	65,000

VIII. THE UNITED STATES MARKET SHARE

1. Overall Market Share

On the basis of the geographic breakdowns set forth in chapter VI and the method of estimating regional market totals shown in chapter VII, the United States market for international conventions sponsored by non-governmental bodies (other than corporations) can be estimated for 1973-1974, as an average per year, at **104 events** with a total adjusted attendance¹ of **163,400 persons**, or a market share of **5.2 percent in terms of number of events**, and **11.9 percent in terms of total attendance**.

If, however, allowance is made for the events and their related attendance that are North American or inter-American in character (estimated at 30 percent and 20 percent respectively), the U.S. share of the market segment that has full geographic freedom of venue selection is calculated at an average of 73 events for the 1973-74 period with an attendance of 130,700, or **6.6 percent in terms of number of events**, and **14.5 percent in terms of attendance**.

The attendance estimates, in particular, tend to be high, for they reflect total attendance at the events concerned. They thus tend to reflect the high level of domestic participants at international events held in this country, inflated, in particular, by the high numerical attendance at conventions of service organizations included in the basic count of events.

Nevertheless, the U.S. share of the international market segment that has full freedom of geographic venue selection reflects very closely the overall findings of the study's interview program, particularly among the major professional and industrial associations with an increasingly global venue rotation. In this market segment, the rotational pattern tends increasingly toward a five-event cycle with the following basic geography: Europe-overseas-Europe-overseas-Europe. The two overseas venues in the cycle are divided between highly developed non-European countries on the one hand, and the developing parts of the world on the other. In the first category, the dominant choices are the United States, Canada, and Japan, and in the second, Africa, the rest of Asia, and to a lesser extent, Latin America.

The numbers set forth above, however, do not necessarily represent the totality of overseas visitors to congresses and conventions in the United States, for an undetermined number come to this country to attend **national** events of special interest, particularly in the professions and the sciences. Given substantial attendance from neighboring countries at such events, total foreign attendance (that is, the number of foreign participants, excluding U.S. participants, at international events held in this country) is likely to be between 120,000 and 150,000 persons—excluding events of a primarily social character.

There is substantial difficulty in estimating the size of this market element in the face of conflicting viewpoints. Convention bureaus tend to take a quite optimistic view of the international interest generated by various events held in their jurisdictions. On the other

¹The adjustments, based on published minima, include the following inflator coefficients: (1) Allowance for non-reported events: +15%; (2) allowance for median-range attendance: +12.5%.

hand, both U.S. and international substantive associations, and major overseas travel organizers (including those specializing in congress travel) acknowledge the potential interest of U.S. national events, but see little actual physical movement, which they feel is limited by lack of communication and organized travel facilities.

On the whole, the international associations covered in the interview program consider the United States an "interesting" venue, but almost inevitably add that it is expensive, despite dollar devaluation, and that association members are likely to consider attendance at a congress held in the U.S. to be expensive. Thus, as is almost always the case, twin standards come into play at the decision-making level. There are, on the one hand, the international organizers' own knowledge or preconception and, on the other hand, their own reading of their membership's preconceptions. It is on the latter that the organizers base their attendance projections and their forecasts of whether a given venue will contribute to a successful (i.e., a well-attended) meeting.

Such views, however, are normally secondary to the basic fact that invitations by U.S. host organizations tend to be a rarity—an observation that is paralleled by the relatively large number of negative comments heard from potential U.S. host organizations on the topic of issuing invitations to international congresses with a U.S. venue.

Cause and effect are, however, hopelessly intertwined for, as noted in this study's earlier chapters, the normal decision-making process is not altogether passively dependent only on invitations that are freely tendered. The venue-decision makers themselves, and the majority of association secretariats can and often do take informal initiatives to "inspire" invitations, and it is at this preliminary level that images and preconceptions can play a crucial role in prompting the actions of secretariats and governing bodies.

2. Regional Disparities

Interestingly, it was found that the West Coast tends to have an image among major international associations that is substantially independent of the overall U.S. image, and in several cases initially negative attitudes toward the U.S. as a congress venue were revised to exempt the West Coast, or the West. In each case, the relatively high travel costs were readily acknowledged, but the attractions of the region both to congress organizers and to participants were stated to be commensurate with the costs involved. This attitude was reflected among organizations that had heard good reports of past congresses held in the area and among those with future Western venues already decided upon. In the latter case, the positive attitude took the form of confidence in the future event's success.

In this overall attitude, and in the less frequent judgments (or preconceptions) of other regions, the attitudes expressed closely parallel the findings of earlier United States Travel Service studies on travel habits and patterns, particularly those carried out in the major European markets. Spontaneous regional preferences expressed (or perceived) by officials of major international associations tended to parallel tourism preferences perceived by the travel industry in the countries concerned. No informal rankings are, however, possible, for while New England and Massachusetts in particular tended to be seen in a positive light,² few other U.S. regions received any specific mention in terms of venue desirability, with the exception of New York, with a fairly pronounced negative image.

²It was more or less taken for granted that congresses held in the U.S. during the Bicentennial year would, if possible, choose a Massachusetts venue.

The tourism analogy, however, does not extend to a U.S. venue attraction on the ground of pre- or post-congress tourism opportunities—a point that carries little direct (or admitted) weight in the process of venue selection.³

In addition, it should be noted that something resembling the European bias in favor of U.S. Western venues (covering, roughly, Washington state, northern California and Colorado) is also in evidence in respect of Western Canada (British Columbia and Alberta), although Toronto is deemed highly attractive. Where this western bias is explained, it is in terms of “the real America” as well as in terms of an environment that is on a manageable scale.

In isolated instances where it proved possible to probe this western bias, it became apparent that the opportunity to **cross the American continent** on the way from Europe to the congress or on the return journey was considered by the organizers to be an attraction. It permitted participants to stop off in the East and elsewhere without necessarily involving an outright tourism venture (let alone an organized tour), thus preserving the journey's professional character, or the participants' related self-image. It also became evident in the context of a recent major professional congress in Vancouver, B.C., that the alternatives of returning to Europe either via the breadth of Canada or via the United States (notably via Seattle, San Francisco, Chicago and the East Coast) proved, in the event, to be strong attractions.⁴

3. The North American Competitive Picture

In competitive North American terms, venues in Canada exercise a considerable attraction among international associations headquartered in Europe, although Canada as a whole has not yet launched any systematic sales effort there. The attraction is due, in part, to the low-key popularity the country enjoys, and a reputation for a politically neutral stance and non-discrimination in the issue of visas to congress participants, regardless of their nationality.⁵ Finally, Canadian venues do not appear to generate the image (with its negative impact among the majority of substance-oriented associations) of “typical” U.S. large-scale conventions at which substance is subsidiary to social activity.

Since the early 1970s, Mexico is becoming an increasingly strong contender for international meetings, both for those originating in the U.S. and in Canada, and for the North American “turn” in the inter-continental rotation of international associations. An active (though low-key) sales policy of Mexico's National Tourism Council (Consejo Nacional de Turismo) is strongly aided by a broad policy of government subsidies to specific events. There are, however, indications that subsidies do not always materialize on the scale promised and may thus leave the event's organizers with a deficit.

Much of the visible Mexican sales effort is reserved for the association meeting at which a Mexican venue has actually been decided upon. Here, folk music and possibly a special dinner are designed to generate membership enthusiasm (and participation) for the forthcoming event, to ensure success for the host country and for the organizers. The latter, on the whole, accept such theatricals with a degree of resignation—the majority of serious associations regard such displays as out of place.

³For further discussion of the role and impact of congress-related tourism opportunities, see chapter XII.

⁴In the case of Japan-originating traffic, cost considerations and generally very low congress-attendance traffic volume to North America have so far hampered the evolution of a parallel trend in the reverse direction, in which an East coast venue would provide a chance to visit the rest of the U.S. or of Canada.

⁵Certain major associations, for instance the 18 member organizations of the International Council of Scientific Unions (Paris), make the ready grant of visas to all participants a precondition for the selection of any given country of venue.

Here again, however, association secretariats show an inclination to read current tourist movements, and Mexico's growing popularity as a European tourist destination tends to be cited as a major reason for encouraging the issue of a periodic Mexican congress invitation, on the assumption that tourism popularity and a reputation for low costs will generate good attendance.

4. Other Competition

Almost ironically, U.S. tourism patterns and preferences offer perhaps the strongest competition to U.S. venues in the international congress market. It is necessary for governing bodies of associations, and secretariats, to rely on substantial U.S.-member attendance if any congress is to be successful, and there is widespread belief that venues outside the United States will attract a far better U.S. attendance than a home event. Basically, then, associations have looked with favor on venue sites that would be attractive to U.S. participants while also drawing a good European attendance.

Most associations now acknowledge that European venues involve unduly high travel costs for U.S. participants, but feel that the same applies to European participants traveling to a U.S. venue, which thus runs the risk of low attendance from both sides of the Atlantic. This is particularly the case where U.S. venues are identified only with large Eastern and Midwestern cities. In these cases, there is little more than very tentative thinking, with viable alternatives being given hesitant consideration covering a fairly wide range. These alternatives include Canada or Mexico as North American alternatives that are potentially attractive to all; the Far East, costly, but offering new experiences that might warrant the travel costs involved (and for Europeans, in particular, a Far East venue offers the chance of a trip around the world); and finally Europe, with a good and tight substantive program offsetting the higher cost to American participants.

For the reasons just stated, the **Far East**, and in particular **Japan**, holds a growing attraction that is enhanced by two parallel considerations: (1) A desire on the part of most major international associations to increase Japanese participation in their work; and (2) growing interest among the membership to see Japanese professional and industrial activity at first hand. In addition, Japan's facilities offer the possibility of venues split between Tokyo and the idyllic setting of the Kyoto Convention Center, substantial local organizing help and, in the sciences, medicine and industry, a probability of strong financial assistance toward local cost, thus making for relatively low registration fees. Since inter-continental rotational patterns are generally highly flexible, Japan, as an Asian venue, tends to loom large at the present time (covering the years between 1974 and 1977).

5. Market Mechanics

Little can be said on the topic of competitive market mechanics, primarily because—with the notable exception of the U.S. Travel Service sales effort—the downstream contribution tends to be minimal or non-existent. This is particularly true at the crucial invitation level. American associations and other bodies that are the potential hosts of international congresses in this country are markedly reluctant to take on this role, a reluctance often based on past experience of the work involved. In addition, the service sector is not only aware of this reluctance, but, with some exceptions, adds its own indifference to the international market, in part because adaptation to its requirements is considered to be costly or, at best, unprofitable.

Among the major cities' convention and visitors bureaus, geared to an activist and set domestic selling pattern, the international congress market introduces an essentially new,

demanding and uncertain element. Basically, such bureaus are supported by local hotels and merchants to carry out a direct selling function in the domestic market in which high-volume attendance functions are a primary target. These yield a high return at a low per-capita selling cost, fill a maximum of available hotel space, and provide the best possible return to more peripheral sectors—restaurants, car-rental agencies, and merchants in general.

Above all, a significant segment of the domestic convention market is within tangible selling reach, partly through annual or bi-annual massive sales visits to traditional association-headquarters centers such as New York, Washington, D.C., and Chicago, and partly through the all-important local contacts such as local residents who have become officers of national associations, or at least have access to these decision makers.

By contrast, the international market's decision-making process tends increasingly to divorce actual site selection from the decision on the national venue. The former is increasingly a decision based on the attractiveness and accessibility of the site, and on such criteria as appropriate accommodations and congress-service facilities—in brief, criteria on which the association secretariat rather than the governing body must pass.⁶ Even if a convention and visitors bureau can prevail on a local national association to issue an invitation to an international congress—and several such bureaus work on this channel—there is a strong probability that the invitation would be accepted as a national United States invitation, with the site to be determined later within the administrative process.

A direct international sales effort by convention and visitors bureaus aimed at association secretariats may have some bearing on the issue described above. It would, however, have to operate against heavy odds since it would have to aim at the secondary, site-selection, level, and unless a national invitation had either been issued or was about to be issued, the effort would be largely wasted.

A watchful interest in forthcoming international meetings in the U.S., coupled with an internationally-oriented structure such as those maintained by several cities (among them Seattle and Atlanta) and close liaison with the appropriate liaison organizations such as the U.S. Travel Service and the International Congress and Convention Association (ICCA), appears to offer a far more productive approach to the international market. Once a U.S. venue has been decided upon, and possibly once the specific sites under consideration are known, direct contact with the international headquarters concerned can be extremely productive. Such contact may occur through a visit by local convention and visitors bureau personnel to the headquarters or through facilities for an exploratory visit to the site by the association secretariat personnel.⁷ In the former variation of this approach Atlanta has scored notable success.

The question of appropriate facilities is a difficult one that bears careful consideration. Certain countries that are still developing their congress-venue potential, notably Japan and Brazil, hold to a very cautious approach to their potential markets through the controlling intermediary of the respective NGTOs. This caution is exercised in order not to overextend existing facilities and to prevent overselling facilities and services, lest a congress held there

⁶In the light of the earlier discussion on regional biases (see section 2), it is appropriate to repeat a point made earlier: The example of a major international professional association that received an invitation to hold a congress with substantial attendance in an eastern Canadian city. The invitation was readily accepted in terms of the national venue, but in an internal decision, the site selection fell on Vancouver, B.C., as more attractive to members.

⁷The secretariats of major associations carry out such preliminary visits as a matter of routine. Smaller bodies would like to do the same, but are often not in a position to carry the extra cost. Some form of facilitation at this level would probably constitute a welcome and valid form of incentive.

develop into less than a full success and result in a bad reputation for the country as a whole.⁸

A problem of substantial proportions appears to arise out of a variation in the facilities-commission system (described in chapter IV, section 2; see footnote 3, page 44), under which hotels and other facilities will not grant normal commissions to receiving travel agents and other professional organizers in the United States in the face of exclusive commission arrangements with local convention and visitors bureaus, though bookings from travel agents and organizers abroad are commissionable.

As a result, the channels most likely to be in demand to organize the fast-growing number or relatively small congresses sponsored by specialized scientific and medical organizations with limited staffs are prevented from rendering effective service to a potentially interesting clientele. It is clearly difficult to handle the organizational work at arm's length from abroad, while effective assistance from U.S.-based organizers and travel agents, including those working within the ICCA liaison system, is virtually shut out by the situation's unprofitable nature.

Although a number of cities can bring considerable foreign-language services to bear on an organized basis (often through community volunteers) and have developed good reception systems for foreign visitors (Seattle and Atlanta are, again, appropriate examples), interpretation facilities still tend to represent an area of weakness in the United States. The United States Travel Service is attempting to correct this situation however. Equipment rental costs for booths and multichannel systems for simultaneous interpretation at congress facilities can be applied for on a matching funds basis with USTS. However, the use of portable systems has a makeshift aura about it that contrasts sharply with the newer congress facilities in other competing venues, notably the congress centers in Paris and Kyoto (Japan).⁹ Above all, portable interpreters' booths provide only marginally acceptable working conditions for the essential specialist staffs involved—a fact noted by both user associations and specialized international service organizations in this field.

The points raised in the preceding paragraphs serve to illustrate a basic consideration. The international congress field is rapidly moving toward a high level of professionalism, especially at the organizational and facilities levels. Although smaller international associations lack in organizational resources, they turn increasingly to professional services (or seek venues that can provide such services on an in-house basis). At the supply end, then, the market seeks reliable quality standards rather than *ad hoc* adaptation to its requirements.

As a whole the international congress field regards itself as an entity quite separate from its national counterparts. It no longer readily accepts being "squeezed in" or molded to national facilities and implementation patterns. Individually, a growing number of international associations have evolved rigid implementation patterns of their own which are set forth in organizational manuals that are strictly adhered to. Notable examples here

⁸The direct opposite to this approach is illustrated by a recent case in which a local American convention and visitors bureau insisted (it is alleged) on handling all accommodation arrangements for a major industrial association composed of high-ranking executives. The venue site lacked the appropriate accommodation in the volume required, but the bureau, it is said, did not advise the secretariat of this fact and made what alternative arrangements it could. The secretariat claims to have been flooded by complaints from participants, and there is little doubt that the complaints reached a far wider audience. In the end, the villain of the situation is not a single local body, but the country of venue as a whole.

⁹In addition, the larger hotels in competing venue areas tend increasingly toward built-in multichannel interpretation systems: among the many notable examples, mention may be made of the Heathrow Hotel at London Airport, and the Imperial and Tokyo Prince hotels in Tokyo.

include the International Federation of Library Associations (IFLA; The Hague, Netherlands); the Association of British Travel Agents (with its highly mobile conventions outside Great Britain); the International Cargo Handling Coordination Association (ICHCA; London), to mention only a few. Other very large associations—often umbrella organizations embracing several specialized associations—such as the International Council of Scientific Unions (Paris), increasingly analyze the financial implications of their overall procedures, seeking means to attain greater cost efficiency.

The market's supply sector has begun to match these demand patterns, and to some extent new facilities with a strong **service orientation** (or professional organizing assistance) are heading for a competitive advantage over venue areas which regard the international congress market as a stop-gap source when domestic activity falls off or when conventional tourism is declining. Paris, Singapore, Hong Kong, Copenhagen and, by 1973, Birmingham (U.K.) will be among venues offering growing competition in the market with attractive packages and flexible selling policies likely to draw maximum cooperation from as many channels as possible.

6. The U.S. Market Potential

The U.S. market potential has its strongest roots in two quite different areas of consideration: (1) its high state of scientific and technological development; and (2) the scenic appeal of certain regions, notable the Northwest, whose legend is still alive in most of the western world.

This may be regarded as a somewhat restrictive assessment, but it is one that takes into account only those points of substantial competitive strength that stand out among other points of possibly lesser impact in a competitive world market.

In the field of science and technology, including their industrial application, it is a normal assumption that the country of venue can generate the strongest possible attendance among its own experts in the field, among them persons who may not have the time or the means to attend a congress elsewhere. Contact with these persons, with the institutions at which they teach or the industries in which they work, thus become a major parallel attraction to the congress itself, as do visits to related facilities—laboratories, hospitals, industrial plants. This group of considerations is thus primarily **substance-oriented**, and it is accepted that venue sites will relate closely to the location of the institutions or facilities of interest to congress participants. Indeed, for certain substantive sectors, university campus venues may be far more attractive than the most elaborate specialized congress facility in an idyllic setting.

On the other hand, the highly attractive Western and Northwestern regions of the country are at a distance from the centers of gravity of scientific and industrial activity, although there are academic and other institutions or world reputation in those areas. For the European congress participant, a visit combining a congress in the west with a tour of facilities in the midwest and east may prove to be doubly attractive. Such tours aside, however, the area within a triangle marked by the cities of Seattle, San Francisco, and Denver holds a broad range of attractions that are at once scenic, literary, and (harder to define), relate to a perceived image of "the real America."

Geographic proximity has given that region's outlook a Pacific Rim cast, and while regional Pacific area congress activity is increasing, the western region's very substantial appeal to European visitors deserves stressing here.

Some of the most experienced and knowledgeable sources in the United States, in Europe and the Far East coincide in expressing enthusiasm for the potential increase in foreign participation at U.S. domestic congresses and conventions (provided that substantive content outweigh social activity). In this field, the key problem areas are the dissemination of information on events of interest, travel arrangements, and language services, discussed under separate sub-headings, below.

With regards to the substantive or topical content of congresses, it should be stressed that events in the fields of industry and commerce, as well as in the equipment-intensive sciences (including medicine), an international congress is often an important avenue to provide exposure for national products and services. It can thus become a valuable means to initiate or increase exports—a point that has prompted industry in other countries, notably in Japan, to underwrite substantial parts of local congress costs (see chapter X).

In terms of congress categories, great value attaches to small meetings of governing boards or executive committees of international associations. The exposure of such decision makers to a venue country can be invaluable in the long run. Such meetings tend to be very small—usually under 20 persons—but are often a first step toward generating far larger events.¹⁰

Still in the field of small meetings, certain rounds of a series of intensive, highly substance-oriented technical meetings and seminars (e.g., in New Hampshire) are attracting growing attention in this country. Here, both foreign participation and possibly the organization of an international variation of these meetings would again create a developing market segment.

Among the many other specialist meeting circuits that have gained acceptance in recent years, mention might be made of what is best termed the “Francophonic circuit”—specialty congresses assembling specifically French-speaking members or practitioners of a profession (doctors, teachers, writers, and so forth—often reaching into sub-specialties). Though venues have centered on France, they have tended to spread out in recent years, especially to Canada (Quebec), Belgium, Lebanon, Haiti, and Francophonic Africa. In this context, areas of the United States with a French heritage—in Louisiana, Mississippi, Maine and New Hampshire—constitute a valuable potential resource.

a. Congress Information and Travel Arrangements

These two topical areas are discussed under a single heading because the mechanics involved lend themselves to close coordination, in fact, to the use of identical channels of communication and implementation.

A prime example of such a coordinated approach to this market segment is provided by current practice in Japan.

In Japan, certain specialized organizations (notably the International Congress Information Center-ICIC) and several major travel agencies (among them Japan Travel Bureau, Hankyu Express International, Nippon Express Co., Kinki Nihon Tourise, and Mitsui Air & Sea Service) have established elaborate information networks through which they obtain—well in advance—information on congresses to be held throughout the world.

¹⁰Expert sources in this country who have had some experience with such types of meetings note the importance of tangible recognition of the social status of those attending such board meetings, for instance through receptions hosted by important (Federal) government officials.

In this context, an hour of the time of a cabinet-rank official could constitute an invaluable Federal government contribution.

These information networks rely on Japanese doctors, scientists, academicians in general, and the industrial sector; and secondly, on sources abroad (their own correspondents, the Union of International Associations, and others) to advise them of scheduled meetings, if possible two or three years in advance.

Concurrently, and to varying extents, these organizations maintain up-to-date lists of Japanese professional persons who constitute the potential market pool. Some, such as ICIC, may take a telephone or postcard sample survey to determine whether a given congress abroad is likely to draw a sufficient Japanese attendance to warrant the offer of group-travel arrangements; others will seek the views of their information and advisory panels.

If either of these two approaches suggests significant interest among the professional group concerned, the organization will begin to circularize the names on the appropriate list, progressively disseminating information from the event's organizers themselves, including programs and in some cases abstracts of papers to be presented. Eventually, full travel information is sent out and group-travel arrangements are made.

(A parallel system operates for inbound congress traffic. Here the travel agents offer the Japanese organizing committee concerned inbound travel arrangements as well as pre- or post-congress tours. In addition, some will take charge of translating and disseminating congress programs and other literature—both in cooperation with major travel agents abroad—and will handle local hotel reservations, usually on a block basis that may allow a certain profit element.)

The system outlined above works closely with the convention department facilities of the Japan National Tourist Organization, the Japanese NGTO, particularly in the inbound context.

Given the costs incurred through the liaison and information system, the organizations concerned supplement the normal commissions earned at various stages of the travel work by modest service fees currently ranging from \$6.65 to \$7.00 per person.

The system, while interesting in itself, points up the importance of the part played by the correspondent-travel agents in the country of destination. Here, the study has noted growing interest, both in the U.S. and in Europe, but only the first beginnings of action to establish effective congress-travel departments that will seek out their own clientele, rather than merely rely on lists given them by the organizers of a given event. The former approach, of course, is crucial in generating traffic to an event sponsored by a national rather than an international association in another country.

It is at this level that a national government tourist office, as well as national air carriers, can do much to provide the basis for the dissemination of data on national events, and there are a number of notable examples of publications that aim to fill this need.¹¹

¹¹ Most national convention calendars and analogous publications are revised at fairly frequent intervals—usually at least quarterly—and disseminated through NGTO field offices, though they tend to be available on demand rather than being sent out to potentially interested groups or individuals.

Among the examples noted here are the following:

- * Australian Tourist Commission, "Conventions and Special Events in Australia";
- * Hong Kong Tourist Association, "Coming Events and Conferences in Hong Kong";
- * Singapore Convention Bureau, Singapore Tourist Promotion Board, "Singapore Convention Calendar";
- * Japan Convention Bureau, Japan National Tourist Organizations, "Japan International Congress Calendar";
- * Japan Air Lines, "Special Events" (worldwide coverage);
- * Scandinavian Airlines System (SAS), "Scandinavian Workshops—Problem solving for the society of today" (covering regional seminars and symposia).

Parallel publications are usually also available, covering trade and industrial fairs and similar events.

Individual facilities also publish periodic bulletins of forthcoming events of international interest, e.g., the Bella Centret in Copenhagen.

b. Language Services

The need for language services—simultaneous interpretation and translation of abstracts or papers—depends to some extent on the topic of the congress and on the participation it wishes to attract. In the sciences and medicine, English is likely to be acceptable as a working language for most western European participants, but even in these substantive areas, the broader the language services, the wider the participation that can be attained. For though English is widely understood, there are many who hesitate to speak it for fear of being misunderstood.

Clearly, extensive language services at national events in the U.S. are not always practicable, both financially and from an organizational viewpoint. Distribution of translated abstracts may be an acceptable half-way measure to help foreign participants, and this is a service that can be prepared in advance and more or less regardless of the actual venue site. It is clearly a half-way measure, but the gesture could weigh heavily in the viewpoints of the participants.

Japanese language services are an important feature of events that wish to attract a sizeable Japanese participation. Organizational sources in Japan cite the attendance of 400 Japanese medical specialists at a 1972 congress in Italy as an example of the volume of Japanese participation that can be generated when the required language services are made available and are publicized well in advance. Again, Japanese sources note a highly desirable procedural point—that questions to Japanese speakers be submitted in writing (in English) in order to facilitate a thoughtful reply.

The question of language services may, however, decline in importance over the coming years, especially in medicine and in the sciences as younger persons (most of them with a good knowledge of English) advance in their professions. In the case of Japan, it is believed that the next five years will see a gradual disappearance of an absolute need for interpretation and translation into Japanese. Such factual views, however, do not touch on the crucial matter of courtesy.

International interest in U.S. events—whether national or international—varies, of course, from one field to another, and from one country to the next. In the medical field, for instance, European interest tends toward American developments in the fields of radiology, hematology and transplant techniques. Japanese medical interest can be defined more specifically in the light of research carried out by congress-travel organizers, with the following general ranking:

1. Gastro-enterology, with endoscopy as a major sub-specialty;
2. All forms of cancer research and therapy;
3. Internal medicine in general;
4. Neurology, and all sub-specialties combining neurology and internal medicine;
5. All sub-specialties within the pediatric context.

These listings are far from complete, but suggest the type of refinement substance that controls the market's demand segment.

In other fields, special mention might be made of the substantive areas of construction materials and equipment, where U.S. developments are of considerable international interest. Similar broadly-based interest extends to the social sciences and to the overall field of women's education and role in society.

The attraction of a substantive topic, however, is almost inevitably outweighed by the attraction of the persons who will present papers or otherwise participate at the event in question. The ultimate determinant in venue selection may thus well be highly personal—the participation of one of more **leading authorities** in the field, possibly coupled with the courtesy of coming to their country of residence. In creative terms, then, the greater the involvement of leading scientists, doctors and other professionals, and industrial and commercial leaders in international association affairs, the stronger their home country's venue claim. In terms of national associations, the greater these people's participation in national meetings, the greater their attraction for foreign participants, **provided that such events are also duly publicized abroad.**

*c. International Attendance at National Meetings:
Estimated Market Size*

According to current estimates,¹² total attendance at national association meetings in the U.S. is approximately 11.6 million persons per year, at about 10,300 events. Of this total, about 1,100 meetings (both national and international) are listed in the **World Meetings**¹³ volume on Medical Scientific and Technical Meetings in the U.S.A. and Canada, covering the types of events that are of **primary** potential interest to an international audience. On the assumption that about 80 percent of these meetings are U.S. national events, the “pool” of such meetings likely to attract foreign attendance can be estimated at just under 900 events.

The interview program carried out in the United States in the course of this study suggests a range of foreign attendance at national associations' events from zero to approximately 10 percent, with fluctuations depending primarily on topical substance, venue site and, again, the degree of publicity abroad accorded to the event concerned.

On the assumption that about one half of the events in this “pool” attracted an average foreign attendance of about 5 percent, the total number of foreign participants could be estimated at some **225,000 persons**, with an assumed distribution of 135,000 participants from Canada and Mexico, and some 90,000 from other countries.

If this figure is added to the estimated 163,400 participants at international meetings in the U.S. noted at the outset of this chapter, the market total for association meetings can be put at about 390,000 visitors (all nationalities) to international events in the U.S., together with foreign visitors to U.S. national events.¹⁴

d. Corporation-Sponsored and Other Smaller Meetings

In international terms, the U.S. market for smaller corporate-sponsored and similar meetings and symposia tends to be an “emigrant” market, with an inbound potential that is slight and, for the time being, largely confined to the neighboring countries. However, some efforts are under way to develop such a market in Hawaii, based on traffic originating in Japan.

¹²*Meetings & Conventions*, Gellert Publishing Co. (Ziff-Davis Publishing Co.), New York, December 1974; 1974 Market Data Report.

¹³*World Meetings*, United States and Canada, A two-year registry of future medical, scientific and technical meetings, World Meetings Information Center, Inc., Chestnut Hill, Massachusetts, July 1974.

¹⁴For the purposes of this study, no distinction is made between foreign and U.S. participants at international meetings held in this country; similarly, no distinction is made between national and foreign attendance at meetings elsewhere. In economic terms, each international event is assumed to generate its quite particular attendance, based on the event's international character. The traffic and income generated by the event are thus properly credited to the international market segment. Were the event to be held in another country, its U.S. participants would count on the debit side of the travel balance, and in this sense also, they are properly counted on the credit side, even though no physical border crossing is involved.

Discounting the incentive element in this market segment, few companies based abroad have, at the present time, the depth of commercial or technical involvement in the United States that can provide the basis and the justification for holding corporate-sponsored meetings far away from their home base. The converse is, however, true of U.S. companies' involvement in Europe, Australia, and South-East Asia. Major international corporations are heavily involved in those markets and see a long-term commercial and goodwill benefit in holding a broad range of events in their primary market areas, where they can attain maximum local or regional attendance at relatively low cost. The element of foreign surroundings is then attained by rotating such meetings through the region's major venue centers.

By way of example, the venues over the past ten years of a set circuit of technical-development symposia (each attended by about 250 persons) sponsored by a U.S.-based, high-technology company with strong European involvement have been as follows: (Figures denote number of meetings held at each venue)

Geneva	6	Hanover, Germany	1
Paris	4	Mainz, Germany	1
London	3	Brighton, U.K.	1
Amsterdam	3	Killarney, Ireland	1
Rome	3	Berlin	1
Madrid	3	Vienna	1
Brussels	2	Copenhagen	1
Nice	1	Stockholm	1
Cannes	1	Bürgenstock, Switzerland	1
Frankfurt	1	Bad Godesberg, Germany	1

The meetings in question range from a quarterly to a triennial frequency.

If Dublin and Monte Carlo are added to the above list, it becomes broadly representative of the basic international corporate-meeting and seminar venue circuit, which is basically a fairly restricted one in its geographic range. Similarly, in the Far East, Singapore and Hong Kong are the key regional venues, with Kuala Lumpur (Malaysia) appearing on the competitive horizon.

With regards to meetings held outside the continental United States by U.S. corporations, various published surveys suggest the following ranking or venues in order of popularity on the basis of both meetings already held or considered. (By way of comparison, the figures in parentheses show the parallel ranking for U.S. national association venues abroad.)

	Rank	Order
Bahamas	1	} (2)
Caribbean	2	
Mexico	3	(4)
Europe	4	(5)
Canada	5	(1)
Hawaii	5	(3)

Sources: Meetings & Conventions and Successful Meetings surveys.)

The principal difference between the two makings suggests the impact of Canadian participation at association (as distinct from corporate) meetings. But there is also a seasonal factor, with the peak for corporate meetings in January and October, and that for association meetings in June and October—a difference that brings climatic considerations into play, with corporate meetings tending toward a southern, sub-tropical venue.

e. Offshore Meetings of National Associations

Neither this study's interview program nor conventional reference sources suggest any significant volume in the offshore movement of national associations (regardless of domicile). Nevertheless, some interest attaches to the substantive tendencies illustrated in the two following movement charts which indicate a certain propensity of such movement in two fields: medicine, and the travel industry.

The charts, covering the period 1973 through 1976, should be regarded as indicators rather than as a complete listing. They are divided into two areas: the Atlantic and Pacific regions. The former includes an inset showing the intra-European movement of a limited number of national corporate conventions.

It should be noted that the preceding charts show **planned** meetings. In fact, for instance, the 1974 convention of the Association of British Travel Agents had to be moved from Greece to London at the last moment due to political circumstances.

f. Ad hoc Market Opportunities

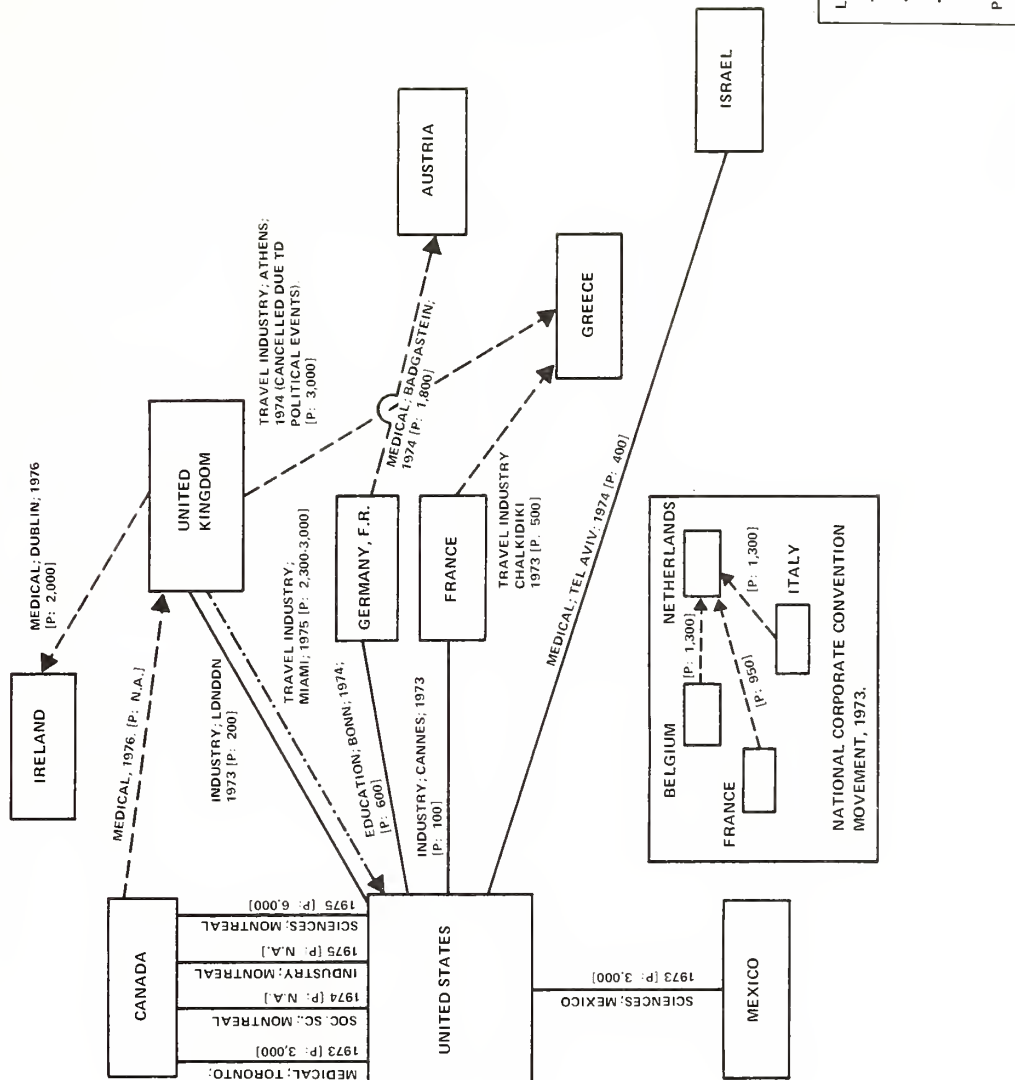
The last-mentioned point in the preceding sub-section—**ad hoc** venue changes in the light of political or other circumstances—has already been discussed earlier in this study in a general context. When such a contingency arises, it is usually for the **association secretariat** to suggest and to make alternative arrangements at short notice, in nominal consultation with the association's governing board or at least its executive officers.

In such cases—and the year 1974 provided ample opportunity for experience in this field—secretariats face a conflicting situation. On the one hand, alternative arrangements are easiest to make at sites close to the association's headquarters—in other words, predominantly in western Europe. On the other hand, a venue change from a distant, "exotic" or otherwise especially attractive site to one close to home is for most participants a clear disappointment.

There are indications that a potential market can be sectioned by offering international associations with global venue rotation assurances of a capability to host congresses, displaced by sudden disasters of one kind or another, at an equivalent "long-haul" venue site at short notice. Thus, the associations concerned would be able to offer their members an alternative, long-haul site, avoiding the disappointment of a shift to some nearby place that is inevitable when one had looked forward to something new and out of the ordinary.

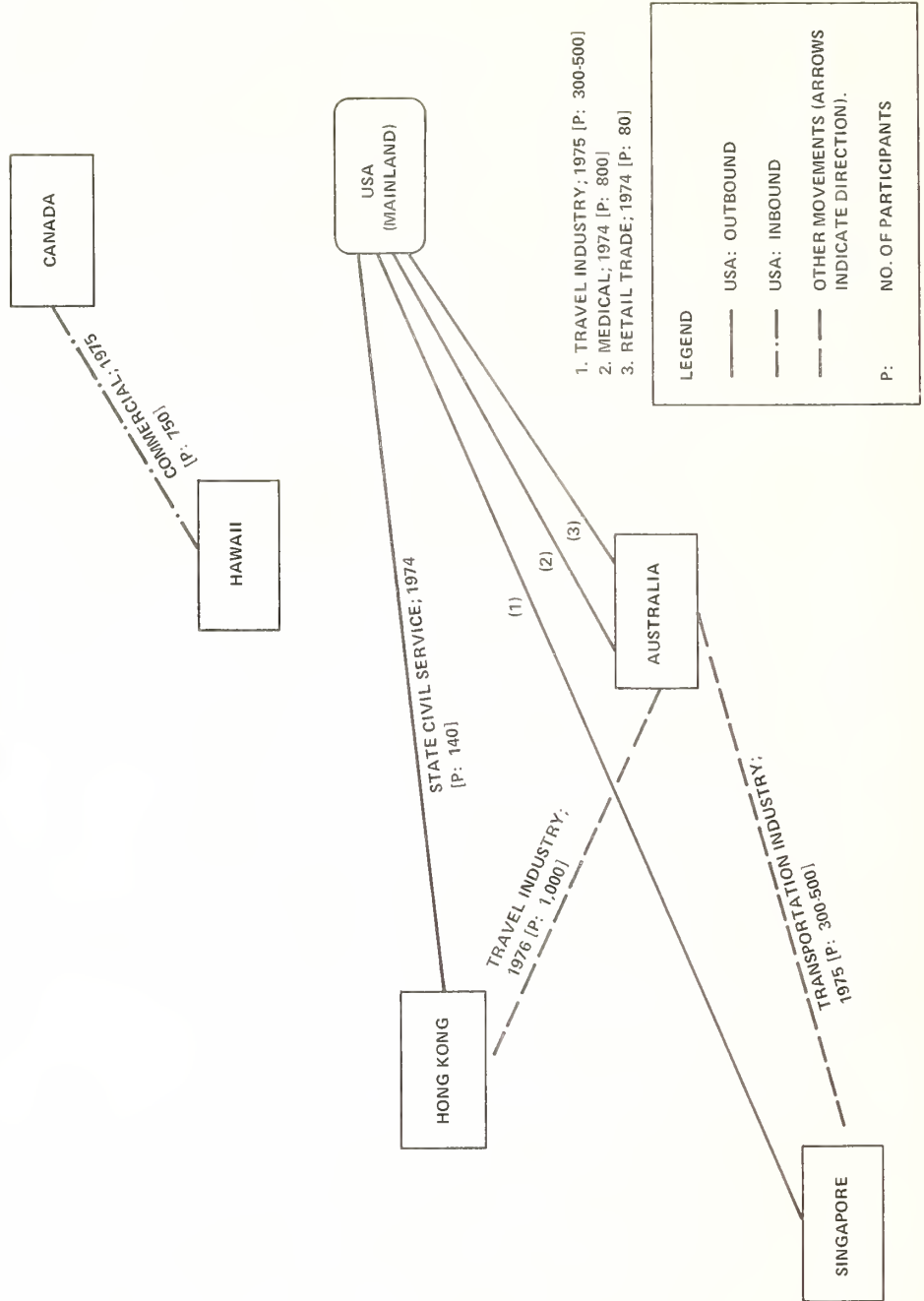
Offshore Movements of National Association Meetings, 1973 - 1976

A. Atlantic Region



Offshore Movement of National Association Meetings, 1973 - 1976

B. Pacific Region



IX. THE SELF-GENERATED EVENT

Although there has been recurrent reference throughout this report to the small but growing market segment of events generated and carried through by either major congress facilities or by certain national organizations, it seems appropriate to discuss the topic in a little more detail in this particular position in the report, following the chapter on the U.S. market share, for it has direct bearing on that topic.

In essence, self-generated events have tended to result from the efforts of certain towns or specific facilities to improve the rate of utilization of the facility concerned while attaining higher hotel occupancy rates in the town or city. A secondary aim is to create a new event that will join the roster of regular periodic congresses, but with a fixed venue.

The bulk of the events of this type reviewed here combine an international congress with a specialized fair or exhibition—a tie-in that provides for increased attendance at both. Charges to exhibitors will usually provide the initial financing for the congress. In addition, virtually all major trade fairs are traditionally linked to one site and have become fixtures on the calendar of industrial and commercial events. The innovative element of a congress following in the same footsteps thus becomes more readily accepted among the interested parties.

The choice of the event's substantive topic is, of course, a function of the ingenuity and research effort of the sponsors. The initial idea may rest on a perceived gap in the network of specialized congresses, particularly in respect of a new technological or scientific development, a new industrial trend, or new economic circumstances. In other cases, the congress may seek to highlight industrial or scientific achievement in a given area or region.

The following listing reviews some of the noteworthy events in the category under discussion, together with notes on the sponsors or organizers. It will be noted that the latter are predominantly the entities that administer the actual facility used by the event.

Other events in this category include, among others, a Scandinavian scientific congress, initiated by the Bella Centret at Copenhagen and then placed under the patronage of the appropriate scientific associations of the participating countries (Denmark, Norway, Sweden); the Offshore International Exhibition and Conference at Olympia, London, originated and organized by Industrial and Trade Fairs Holdings, Ltd., (in which *The Financial Times*, London, has a substantial equity interest); and a series of conferences on international shipping problems, organized with rotating worldwide venues by the publication *Seatrade* (Colchester, England)—the latest in the series was held in Tokyo in October 1974 under the title "Trade, Ships and Japan "

Another special event that should be mentioned here is the international conference under the title of "Japan and the World of Tomorrow" (October-November 1974) held in Tokyo under the sponsorship of the major daily *Yomiuri Shimbun* (with a circulation of 7 million) to mark the paper's 50th anniversary.

Also in Japan, the International Ocean Development Conference, generated by the Japan Management Association, will hold its third event in Tokyo in 1975. It will be held in

Table 9-1.—Self-Generated Congresses, 1973-75

Indicative Listing

Event	Site and sponsor or organizer	Notes
Laser 73 (Laser application)	Munich, Germany. (Munich Fair & Exhibition Corp.)	With exhibition
Systems 73 (Computer systems)	Munich, Germany. (Munich Fair & Exhibition Corp.)	With exhibition
Containerization 74 (International integration of intermodal transport systems)	Munich, Germany. (Munich Fair & Exhibition Corp.)	With exhibition
Inter-Forst (Forestry technology)	Munich, Germany. (Munich Fair & Exhibition Corp.)	
Microwave 74	Montreux, Switzerland. (Microwave Exhibition & Publishers, Ltd., Surbiton, Surrey, UK., and Montreux Conference Center)	With exhibition
Automation in warehousing	University of Nottingham, UK. (International Fluidics Services, Ltd., Carlton, Bedford, UK.)	
International Ocean Development Conference	Tokyo, Japan. (Japan Management Association, Tokyo).	In conjunction with International Ocean Exposition, Okinawa, 1975.

conjunction with Expo '75 (the International Ocean Exposition) in Okinawa and will be under the joint sponsorship of a number of specialized associations concerned with the subject. Some 1,000 persons are expected to attend the conference.

Anniversaries and similar special occasions are clearly suitable vehicles for a congress or conference, and if an appropriate substantive link can be found or created, primary interest then attaches to the types of events in the preceding listing which can possibly become fixtures in the overall congress calendar.

The first step is, of course, the development of the innovative idea or topic of the congress, for it is this which must supply its initial viability and the basic justification for any repetition later on.

In events of a scientific cast—and these tend to provide the greatest area of creative opportunity—the next crucial step is the evolution of a list of speakers, which must be the “drawing card.” A person's world reputation, exposure and speaking ability are among the primary criteria here (obviously coupled with availability of the persons concerned).

The congress must, if at all possible, provide a platform for the presentation of innovative ideas to generate both preliminary publicity and a good attendance, and if possible, enough publicity during and after the event to ensure success upon repetition. At the same time, the organizers, in consultation with substantive experts, must construct the actual congress program. At each step, the overall event must be coordinated with industry exhibits (or a

parallel exhibition) so as to attain maximum motivation on both sides—in the scientific community and among potential industrial sponsors.

It is, of course, also the responsibility of the organizers to arrange for the dissemination of congress information, programs, registration forms and the like, and to handle accommodation reservations directly (or through organizational services). In the case of the Munich Fair and Exhibition Corp. events, for instance, the corporation itself appoints its own official travel agency to handle incoming transportation arrangements.

At this time, few of the self-generated events under discussion have been repeated, but some which had their first exposure in 1973 have entered the preparatory phase for a later repetition—for instance, a Laser 75 conference and exhibition in Munich in 1975. The decision to repeat a previously successful event is a difficult one, for it entails a judgment on the innovative content of the second event—probably more difficult than the initial decision, for the pioneer status of the first event is usually easier to determine.

Self-generated events usually demand that their sponsors fill, simultaneously, the roles of association secretariat, conference organizers, and host committee—a triple role that calls for a substantial time and staff commitment. In the final analysis, the test is whether the event created is accepted by the professional (or other) community at which it is aimed. In this respect the congress, however innovative in substance, is in direct competition with the established network of association congresses and other meetings for the limited time of the same pool of potential participants.

However, with due attention to both substance and extensive organization, self-generated events may well succeed, particularly in substantive fields in which the need to keep up with new developments is great, though the potential audience will become increasingly skeptical as such events become common.

X. THE ECONOMIC IMPACT

1. Participant Expenditures

There is little doubt that the economic benefits to the host country of international congresses far exceed—on a per capita basis—those of conventional tourism. By way of an initial yardstick, British analysts offer the following scale of daily expenditure levels, including conference costs and all domestic travel:

	(Index value)	
Domestic tourists	100.0	—
International tourists	203.6	100.0
International congress participants	363.6	178.6

In global terms, one of the best available estimates¹ puts the 1972 world expenditure on international conventions at \$938.25 million, including all organizational and facilities costs, and including travel within the country of venue, but excluding international travel to that country. This figure, based on a total attendance of 3.5 million participants, yields a **per capita** share of **\$268.07**. On the basis of the more restrictive definition of the world convention market adopted by this study, that is, the non-governmental sector only, with a total 1973-74 attendance of 1.7 million persons (association and corporate meetings), the global market value would be \$455.7 million at 1972 prices, or roughly \$500 million if we allow for the intervening rise in prices and some international attendance at domestic events.

In terms of total economic impact, this expenditure may be the equivalent of between \$1,500 to 2,000 million if multiplier effects are taken into account. Also, an additional \$250 million for international travel expenditures is probably a conservative estimate.

For the purpose of assessing the impact of international congresses and conventions on the U.S. domestic economy, we may accept the global average **per capita** expenditure of \$268 noted above, although it is somewhat higher than the average expenditure range represented by, say Seattle, Wash. (\$200) on the one hand, and Washington, D.C. (\$230) on the other. But U.S. figures exclude pro-rated actual convention costs and domestic travel, while the global average used here includes these items.

On the initial basis of 163,000 participants at international congresses in the U.S. (see chap. VIII, section 1), total expenditure within this country on this account would be \$43.8 million.

Adding the further revenues generated by the estimated 225,000 foreign participants at U.S. national conventions (see chap. VIII, section 6c), or \$60.3 million, it may be estimated that the total revenue of the international congress market in the U.S. is currently just slightly over \$103 million, exclusive of international transportation revenues of U.S. carriers.

Using conventional multiplier coefficients, the total current impact on the U.S. economy can be estimated at between \$310 and \$412 million.

¹Source: Marian Wax, British Tourist Authority, and Victor Middleton, Univ. of Surrey, in *Conference on Conferences*, London, British Tourist Authority, March 1973.

Sterling amounts have been converted at the median 1972 rate of \$2.502 (International Monetary Fund, Washington, D.C.).

These are, in fact, quite conservative estimates that do not take into account the substantial discretionary spending by foreign congress visitors to countries that offer especially attractive consumer items, often unobtainable at home. For instance, data provided by the London Convention Bureau suggests that international congress visitors to London spend, on average, some 42 percent more on local purchases than do domestic participants at U.S. national events (on the basis of **Successful Meetings** data for the top ten U.S. convention cities). In absolute figures, this differential would be \$11.65 per visitor, or \$4.5 million. This estimate rests on the London expenditure level of just under \$40 per participant, but the study's findings suggest that far higher expenditures are far from uncommon. For instance, a world-wide association that can be classified as having a social-service purpose, with a heavy congress participation from the developing countries, estimates average **per capita** discretionary purchases at \$200 per event in western Europe.

The total attendance under discussion here involves, on the basis of an average congress duration of 4.4 days, approximately 1.7 million hotel nights and breakfasts, and 3.4 million main meals.

In broad terms, the study found no significant differences in stated average per-delegate expenditures for congresses of any given duration among the following venue sites, ranked below in descending order of costs:

1. Munich, Germany
2. London
3. 10 top U.S. venue cities
4. Dublin
5. Montreal
- (6. Paris)

The overall delegate expenditure range is between \$200 and \$250 for a 5-day event, involving 4 hotel nights. The Paris position in this ranking, however, rests on a special package offered by the Paris International Center and its 4-star hotel and applies to groups of 1,000 persons or more. The relative ranking thus excludes all discretionary expenditures, though sightseeing is included.

At a time of fast-changing and rising actual costs, present-day price comparisons are virtually impossible. This is compounded by the fact that most major cities offer a fairly broad choice of expenditure levels below and above the average.

Nevertheless, the study's findings suggest a quite narrow range of delegate expenditure levels in which **discretionary purchases** seem to be a key swing factor. These purchases tend to be higher where basic living costs are lowest, while they tend to be restricted in countries or cities where basic accommodation and food costs are highest. But even there, the availability of unique consumer products or one kind or another is likely to result in a greater volume of purchases than most association and convention-bureau sources realize.

Expenditure levels in Japan currently tend to be commensurate with or even slightly lower than those for Western Europe and the United States, since a part of the generally higher actual costs are absorbed by hosting committees—either from their own resources or, more commonly, with the help of some government funding (e.g., through the Science Council or other government-supported sources). To a more significant extent, these funds come from industries related to or interested in the substance of the congress concerned. Therefore, the part of organizational and congress-implementation costs that must be passed on to participants in the form of registration fees is substantially reduced. Equally significant is the fact that the Japanese NGTO can exercise substantial pressure on hotels to grant

substantial rate reductions (30 to 40 percent) and a substantial reduction of the costs of the delegates' meals. Such hospitality offered by the host committee tends to be far more extensive than in Europe or America.

The following breakdown of participants' expenditures by main categories compiled from local and international sources in the course of the study provides an overview of a spectrum of venue areas, ranging from the ten top U.S. convention cities and London on the one hand, and an average of German congress venues—large and small—and Yugoslavia on the other.

Table 10-1.—Breakdown of Participants' Expenditures

	10 top U.S. cities	London	Germany ¹	Yugoslavia ²
Accommodations	33%	44.8%	³ 35%	} 69.8%
Meals in hotels	13	7.7	6	
Restaurant meals	13	14.8	20	
Accommodations and food	59	67.3	61	69.8
Purchases in stores	12	14.6	19	12.9
Local transportation, car	10	4.6	6	3.0
Entertainment, including beverages	12	13.4	14	2.2
Sightseeing	2	—	—	4.2

¹From: *Der Kongressreiseverkehr*, Munich, 1972 (for full citation, see footnote 1 in the Introductory Statement of this volume). The data apply to 1970 and are thus subject to some variation.

²Results of a survey carried out after a conference of the International Civil Aviation Organization (ICAO).

³Included breakfasts.

The ratios shown are, of course, a **relative expenditure distribution** only, and variations hinge largely on basic habits (e.g., perhaps a local custom of bringing home presents) and on the extent to which congress hosting includes entertainment, drinks and other leisure-time activities. Bearing these variants in mind, the comparison shown above suggests, again, a substantial conformity of delegate expenditure allocation regardless of local cost structure.

2. Cost Factors

Specific comparative costs in various venue countries are virtually impossible to establish in the face of wide variations in the quality and other levels of supply and requirements, and a good deal of secretiveness among all concerned. A degree of bargaining on costs, or on services to be included under a given cost item, appears to be standard practice as the market becomes increasingly competitive.

In the most basic terms, two sets of inter-related market segments operate in the context of congress-cost elements: (1) the demand of (for example) international associations for congress facilities and services, and the supply of such services; and (2) the "market" represented by associations in the supplier role and their members, as congress participants, on the demand side. The second market segment is the determining factor, for it is here that

total costs must be covered by the totality of registration fees unless special grants or subsidies are made available.

A representative budget for an international trade or professional meeting is virtually impossible to construct in absolute terms, but some interest attaches to the following representative cost **distribution** submitted at the 5th International Congress on Congress Organization Of the Union of International Associations (Barcelona, 1970):

Table 10-2.—Allocation of Budget Expenditures for International Trade or Professional Congresses

	Percent
Hire of hall	7.5
Linguistic services	17.5
Printing and stationery	30.0
Promotion	5.0
Presentation	5.0
Administration	34.0

Source: Presentation by Fay Pannell, in *International Organizations and the Budgetary and Economic Aspects of their Congresses*, Brussels, Union of International Associations, 1971; Publication No. 218.

The item of “presentation” relates to exhibits and audio-visual facilities, which play an increasingly important part at meetings—particularly those which generate related industry interest (and possibly cost participation).

The breakdown shown above, however, omits the crucial item of **hospitality**. This not only has (in recent years) become an integral traditional part of most international associations’ program in the realization that professional and human contact are among the prime attractions to congress participants, but it is increasingly a bargaining counter in setting overall congress costs with the facility concerned.

Most of the more recent international congress facilities are equipped to handle hospitality in all its aspects. Indeed, many have been designed to handle not only congresses as such, but also local receptions and entertainment as a self-contained parallel function to ensure maximum utilization. In some instances, fixed costs can largely be met through full utilization of food-service facilities, and rental income from actual meeting rooms becomes a secondary consideration.

Similar considerations apply to hotels equipped with substantial meeting facilities. Here, meeting space may be provided free of charge, depending on the number of hotel rooms booked and/or the extent of food services contracted for. In certain cases, where meeting facilities are on a large scale, hotel space and catering services form part of an integrated facility (e.g., the Centre International de Paris, with the Concorde LaFayette Hotel and the Falkoner Center in Copenhagen). Examples of the above-mentioned integrated meeting and food-service facilities are numerous, but mention may be made here of the Kyoto

International Conference Hall in Kyoto, Japan; the Hong Kong Convention Center (to be opened late in 1975); and the São Paulo Center in Brazil, among others.

Translating the preceding model-budget distribution into current terms would yield, approximately the following breakdown (table 10-3):

Table 10-3.—Full Allocation of Budget Expenditures for International Trade or Professional Congresses

	Percent
Hire of hall	6.5
Linguistic services	14.5
Printing and stationery	25.0
Promotion	4.0
Presentation	4.0
Administration	28.0
Hospitality	18.0

Here, "hire of hall" is a variable item that might well shift to supplement either the hospitality or promotional budgets.

The points noted here relate closely to the criteria of venue selection—or, at least to secretariat recommendations thereon—since the more modern integrated meeting facilities offer not only potential cost advantages, but often also ensure the cohesion of a congress through both its substantive and social phases . . . an attribute greatly valued by most organizers.

Registration fees for major international conferences vary widely, but rarely exceed the \$100 level.² This upper benchmark is of some significance in a consideration of various systems of national or local subsidies. For instance, at the (upper) benchmark level of \$100, a \$20 government contribution per congress participant generally accorded by some countries constitutes a 20 percent cost subsidy or, in other terms, a 25 percent subsidy on the registration fee required to attain a \$100 revenue for the organizers concerned.³

In some countries (such as Japan), a flexible system of *ad hoc* subsidies may range from 20 to 30 percent of actual organizing costs, while registration fees may only be required to cover between 15 and 20 percent of total costs, with the balance made up by contributions from interested industry groups. But such cost distribution can only be applied selectively. In essence, government funds are available to subsidize selected congresses, depending on their scientific or social value. In certain instances, such funding is available to events which foster a given social goal, but more usually, funds are channelled to scientific congresses deemed to be of interest. Typically, this contribution will cover about 30 percent of the meeting's organizing costs, but may be somewhat lower if industry contributions can be generated. It should, however, be noted that government funding of congress activities is becoming increasingly harder to obtain at the present.

²Fees tend to be higher where the social and pleasure element predominates.

³Such per-capita subsidies occasionally entail problems for the organizers, for they are normally allocated on a fixed maximum-participation basis. Congresses that have proved to be unusually and unexpectedly popular have thus resulted in financial problems for the sponsors, producing shortfalls in respect of the excess participation at a registration fee that did not cover the meeting's full costs.

Industry contributions to medical and scientific congresses have, in the past, been substantial and even now run at between 50 and 60 percent of the costs of selected congresses which can obtain such support. But in the present economic conditions, industry is becoming increasingly reluctant to offer such support outside its own field of activity.

Industrial congresses will typically draw far larger contributions from their sponsoring national associations, and in at least one recent instance, the registration fee covered only 5 percent of the congress cost, with the sponsoring national association covering the remaining 95 percent through assessments of its own members and those of other interested associations, to a total of about \$550,000 for a congress with 830 participants (530 from overseas). These costs, however, also include sightseeing tours during the congress, and the preparation of the proceedings and their distribution.

Increasingly, Japanese industrial and business host committees have also subsidized post-congress tours with the specific objective of being competitive with countries where such peripheral costs are generally low. Here, also, the subsidy can turn out to be substantial. In one recent case, the committee hosting a major international congress found its total post-congress tour subsidy cost rising to \$100,000 due to unexpectedly low participation.

Some interest attaches to actual cost distribution at two congresses in Japan, one a scientific congress held in Tokyo during 1974 with about 800 participants; the other an unspecified meeting to be held in Kyoto in the future (but with costs assessed at present levels), with 2,000 participants:

Table 10-4.—Allocation of Costs: Japanese Congresses

	Tokyo, 1974 (Scientific)			Kyoto, future (Unspecified)		
	¥	\$	%	¥	\$	%
Preparatory costs	13.2 mn.	44,000	21	33.5 mn.	111,700	50
Publicity; printing	14.4 mn.	48,000	23	(included above)		
Congress premises	6.5 mn.	21,700	10	7.4 mn.	24,700	11
Congress costs (Secretariat, interpretation, contingen- cy costs)	25.1 mn.	83,700	40	11.1 mn.	37,000	16.5
Hospitality	3.8 mn.	12,700	6	15.1 mn.	50,300	22.5
Total	63.0 mn.	210,100	100	67.1 mn.	223,700	100

The relatively minor differential in the cost of premises between the Tokyo congress and the far larger event at Kyoto points to an interesting area of competitive costing. The Kyoto International Conference Hall was originally built and is operated on a non-profit basis by the government of Japan with a primary view to accommodating international governmental conferences—a matter of both political participation and prestige. A decline in such meetings with a venue in Japan has freed the facility—considered by international associations and professional congress organizers to be one of the best and most beautiful in the world—for non-governmental congresses, with low fixed costs.

Similar considerations have prompted the entry of Africa Hall in Addis Ababa, Ethiopia—built to accommodate African regional governmental meetings—into the association-venue circuit.

A good deal of the discussion on cost structure has centered on Japan, in part because it is more readily discussed there than in other areas.⁴ The country provides a prime example of government and industry cooperation in fostering the country's role as a major international congress venue despite its distance from the areas on which it must draw for congress participation.

Cost subsidies in themselves are not, however, the ultimate inducement for the selection of a given venue, for venue selection is not overly cost sensitive in terms of organizational and implementation expenses as such. **Costs to participants** (accommodations, food) and especially travel costs tend to weigh heaviest in the scales, and are often determining factors where the mechanics of the invitational process allow a choice to the organizers. Nevertheless, **subsidies**, (particularly reliable and firm subsidies) are a psychological inducement, and if they take the form of outstanding arrangements and good hospitality which clearly please the participants, they constitute a substantial attraction to association members and therefore to the association decision makers.

Again, in the case of Japan, as a venue distant from both America and Europe, there is due attention to supportive organizational detail. Hosting committees or the facilities themselves will make funds available for familiarization trips to Japan—a major attraction to the international secretariats' administrative staff. There are also professional organizer services that will take full charge of all details: conference-hall selection, preparatory arrangements, circularization of association members, interpretation, and supervision of hospitality and professional-contact arrangements. Both government and private travel organizers can handle inbound travel coordination and post-congress tours, and professional organizers can and will handle the preparation of proceedings and their distribution on behalf of the host organization.⁵

In the Caribbean area, which currently attracts primarily U.S. corporate meetings, the drop in tourism is likely to generate greater interest in the international convention market, including offshore national events. Closer political ties are also likely to generate interest in drawing on the Canadian market for such offshore conventions and meetings. In addition, there are some indications that government policies in certain of the Caribbean countries may provide the foundation for indirect subsidies. Thus, government acquisition of hotel facilities in the Bahamas (Sonesta Beach, Hyatt Emerald and Halcyon International hotels) may permit the application of arbitrary and highly competitive pricing policies on package deals, including delegate accommodations and actual convention facilities.

Some Caribbean convention promotion was noted in the United Kingdom, but international association reaction tended to suggest that the area has the kind of "fun" image that automatically stamps a congress as a "junket" that has limited appeal to professional associations during an economic squeeze.

Nevertheless, at a time when both international tourism and congress markets are depressed, it is likely that both overt and hidden subsidies to congress costs as a whole will proliferate

⁴Both the Japan Convention Bureau (sponsored by the Japanese NGTO) and individual facilities publish highly informative brochures with full price lists; though the latter are now subject to frequent revision, they provide organizers with at least basic cost magnitudes.

⁵Printing services are excellent and brochure design is outstanding.

in order to meet the fixed costs of conference and hotel facilities. The market effect is likely to be minimal with regards to areas which lack a service structure. Elsewhere, there are signs that complete packages, including conference facilities and hotel accommodations, will begin to compete effectively with venues where the cost structure is composed of individual items, to be negotiated and assembled piecemeal.

XI. THE FUTURE OUTLOOK

1. Basic Considerations

There exists an abundance of congress-market projections, most of them forecasting extremely high growth rates in both the numbers of events and in participation. Above all, most visualize a virtually linear growth in attendance coupled with progressively declining growth rates for the number of events, with a concurrent rise in average attendance. There is, in general, little if any allowance for fluctuations in economic conditions, and at best token attention to qualitative factors and resulting changes in demand patterns.

The findings of this study's extensive interview program, however, suggest that both the demand and supply sectors of the international congress market take a far more cautious and qualitatively analytical view of the future, and that forecast trends require analysis by substantive or specialty sectors rather than on a blanket basis that embraces the congress market as a whole.

A basic problem of reviewing future trends arises from the fact that market behavior is to a large extent a function of the lead times involved in each future congress commitment. In other words, venue commitments tend to be made in the light of the economic conditions prevailing at the time the commitment is made rather than in the light of the conditions anticipated for the time when the actual participants must take a decision whether to attend or not. Even where associations are able or willing to make 3 or 4-year forecasts, they are inevitably influenced by present conditions.

The basic variable factor in the future outlook is primarily attendance volume. Few associations with a regular congress schedule would cancel an event except under conditions of extreme crisis. Thus fluctuations in the number of future events are primarily a function of association changes—the number of new such bodies coming into existence, or any trends toward splitting specialty events into sub-specialties. Attendance fluctuations, however, are primarily a function of participant motivation, the state of the economy, and the suitability of the venue site—the latter in terms of travel costs, professional utility and general appropriateness.

2. Qualitative Trends

There is basic consensus that the international congress market's future development will hinge primarily on its substantive quality—on its ability to offer participants meaningful events in terms of professional, industrial or commercial utility. These, in turn, must be of a sufficiently high standard to attract the kind of attendance that will ensure fulfillment of the parallel goal of fostering professional and other contacts at the individual level, and the essential exchanges of views and ideas that are a core element of a successful meeting. There is thus substantial interdependence between purpose, substantive quality, and attendance motivation.

In terms of topical substance, the market's supply elements see the greatest growth opportunities in the fields of medicine, the sciences in general, and in those segments of

industry and commerce where international interdependence is greatest, with some stress on innovative segments.

Within these basic groups, both associations and the market's service sector see a growing trend toward specialization—toward separate events serving highly targeted interest groups, especially sub-specialties in medicine and the natural and behavioral sciences.

Outside the United States, the various market elements also point to a strong trend toward events that provide maximum opportunity for the **exchange** of information and views, as distinct from opportunities to hear formal lectures from key speakers, perhaps with an following question-and-answer period.

These trends are seen against a background of growing pressures on people's time and a growing unwillingness to waste that time on platitudes and generalities, and certainly on the "fun" aspects of a congress as an end in themselves.

Virtually all concerned spell out the logical development accompanying these trends—a pronounced tendency toward smaller events and/or at least smaller individual meetings.

On the whole, the market's service sector agrees with this assessment, and the newer congress facilities stress their ability to provide flexible settings for smaller meetings in a variety of seating arrangements. Their integrated character (on-premise accommodations and food services) also responds to the organizers' desire for tightly-scheduled events that involve the participants in a minimum of waste motion.

Within these broad trends, allowance should be made for originality and creativity—for growth through perception of new areas of concern or interest that justify or generate new **ad hoc** or regular congresses. Some of these run counter to current trends. In the face of growing medical specialization, for instance, the International Society for General Medicine (or General Practice) sees itself as a pioneer, with its congresses attracting growing attention.¹ By way of a different type of example, recent progress in pharmaceutical development has given rise to an entirely new body of clinical experience—a valid reason for congresses or symposia, particularly under the manufacturers' sponsorship.

3. Service Trends

The qualitative trends outlined above are likely to generate growing resistance to acceptance of the chore of organizing the smaller, highly specialized congresses envisaged—that is, growing resistance to issuing national invitations to such events. Potential sponsors will be, increasingly, small specialist associations or other groups with minimal administrative staffs and little if any spare time.

Association secretariat staffs thus look increasingly to **congress-organizing assistance** either from professional organizers or (with some present preference for the latter solution) to integrated organizing services from the venue facility of the event concerned. At the least, they look to "packages" comprising congress space and as many auxiliary services as possible. This general view is expressed either in the context of an inducement to local organizing committees—i.e., an inducement for the issuance of a national invitation—or as a facilitation for a international secretariat when it is charged with the organizing task.

¹Interestingly, this international society sees itself confined to European venues because it has yet to generate meaningful membership from other continents. Its just-retired secretary-general, however, notes one active and influential member in the United States.

Simplification and streamlining in the service sector are also noted as a pre-condition for the growing intercontinental rotation of events.²

4. Anticipated Trends in Venue-Site Selection

The qualitative and substantive trends outlined in the preceding sub-sections suggest at least two conflicting future trends in venue-site selection. On the one hand, an increasing orientation toward the professions is likely to reduce the influence of cost to delegates on the volume of attendance. On the other hand, an increasing volume of scientific congresses is likely to attract growing numbers of the academic community, provided that costs to delegates are held to very reasonable levels, primarily through fuller use of university-campus facilities. With regards to congresses on industrial and commercial topics, it seems probable that cost consciousness will vary with the state of the economy of the moment, for in this market segment attendance tends to be sponsored by corporations, whose outlook on such overhead varies with the times.

The common denominator among these three groups is likely to be an increasingly sharply delineated demand for venue sites that meet some or all of the following criteria:

- a. A degree of relevance or relationship to the association's substantive concern or aim;

A medical group might thus tend toward a country with pioneering facilities, or where new techniques have been recently developed; or an area where local doctors who cannot readily travel to Europe or America or Japan would be enabled to participate in and benefit from the meetings. It might be least likely to choose a resort with an outright "pleasure" image.

- b. Ready accessibility from the association's membership centers;

This criterion relates less to distance than to good communications and minimum travel complexities.

- c. High cost effectiveness in the widest sense of the term;

International associations and organizers see a growing membership demand of "value for money."

- d. A setting and facilities that permit a flexible mix of work, relaxation and human contact, and outside entertainment or pleasure, depending on the individual group's requirements or desires;

Here the demand criterion is best expressed as a negative; meeting organizers shy away from sites where they must fear that their event will be cast into a mold. There is thus resistance to venues with a strong stereotypic image that clashes with the association's own self-image. (To cite an extreme example, a social-service association would wish to shun a resort noted for its gambling.)

²The concept of streamlined, integrated services is, of course, relative. Some congress facilities, for instance, interpret it as the ability to refer a client to the various auxiliary services required e.g., local printers. They are then in a poor competitive position relative to other facilities that can either offer in-house printing or will accept responsibility for having this service carried out. Organizing committees (or secretariats) do not look to referral lists to ease their task.

Few of the above criteria are individually preclusive, provided that venue sites are able to offer the appropriate facilities and an acceptable image to their potential clientele. The impact of these criteria will, however, extend strongly to the area of venue sites' sales presentations where all concerned already note increasing flexibility in approaches and in projecting local images, extending to the brochure material offered in each individual case (e.g., the basic approach use by Denver, Colo., Paris, Copenhagen, and Kyoto).

As already noted earlier in this report, **tourism opportunities** as such play a curiously conflicting role in site selection, and this tendency is likely to become more clearly defined. The topic is discussed in more detail in chapter XII. In the present context it might just be stated that interesting stopovers en route are likely to be a greater attraction than opportunities for post-congress tours, unless the latter are substance-related (e.g., factory visits).

Hardest to define are trends in site selection for associations with a highly cost-sensitive membership at times of economic stress. Most international associations with a strong professional orientation feel that their congresses are relatively inflation and recession-proof, provided that their programs retain a high substantive orientation and originality. Yet, they do believe that caution is called for in respect to travel costs. They thus tend, at such times, to choose venues that are close to their centers of membership but the sites chosen must be highly attractive and not necessarily cheap in themselves. On the supply side, London, Paris, Copenhagen and Amsterdam see themselves in particularly strong positions in this context.

As already noted, these criteria are applied in 1974 to venues for events that are scheduled for 1977, 1978, and into the early 1980s. Governing bodies look, in the first place, to membership reaction to a given venue at the time it is announced rather than to the intangible of later attendance decisions. Irrationally or otherwise, the present predetermines the initial climate of opinion in respect of the future, and while the attendance decision is not yet crucial, there is an effect on members' willingness to commit themselves for future attendance.³

On the other hand, associations with congresses committed for 1976 and 1977 in the United States, Canada, and Japan voice no concern over the success of these events, though below-par attendance may result if air fares continue to spiral upward.

Political intangibles play an increasingly important role in determining caution in venue-site selection. Secretariats and governing bodies show a growing inclination to shun areas of perceived instability, but at times find it difficult on political grounds to reject invitations from countries that are potential trouble spots. Despite this difficulty, they foresee an increasing membership bias in favor of venues of proven stability. In the long-haul market these comprise primarily the United States, Canada, Australia, Japan, Hong Kong, and Singapore.

5. Quantitative Trends

There is extraordinary difficulty in constructing responsible projections of future international congress volume, both in terms of numbers of events and of total participation. While past market growth in both components has been phenomenal, there are no realistic indicators to even remotely suggest future trends or to provide any guide to possible saturation points.

³By way of a phenomenon of more general importance, associations note that times of economic stress result in a delay in the attendance commitment, pushing 50 percent or more of registration commitments into the last three months before the congress-opening data.

A number of published and unpublished projections were reviewed in the course of the study and, where possible, discussed with their authors, but beyond rosy optimism, there was a marked lack of clear explanation or substantiation.

One of the most authoritative (unpublished) projections available suggests a worldwide market growth that would, within the terms of reference and definitions of this study, suggest an increase in the number of events from 4,150 in 1973-74 to 13,610 by 1993, with the number of participants rising from 1.7 million to 7.2 million over the same time span. In the short term of five years, the same source envisages an increase of 47 percent each in the two market components, number of events and number of participants.

Among other factors, this particular projection would raise the (world-wide) average participation at all type of non-governmental events from 410 persons (see chapter VII) to 526—a development that is contradicted by all the expert views encountered during this study.

In reviewing the available projections as well as theoretical exercises carried out in the course of this study, inevitable questions arise as to who will sponsor the (theoretically) phenomenal growth in the number of future events, and where the participants are to come from. This study's interview program noted a growing reluctance among national associations to sponsor and to implement international congresses and this, coupled with lengthening lead times, does not suggest that past growth rates in the number of events will continue.

Concurrently, the trend toward smaller, more specialized meetings appears to be fed, increasingly, from the sources of formerly large, generalized events (from the subsidiaries of large organizations and their membership). Such specialized meetings have been largely the result of decreasing interest in the substance of generalist events, and much of the new element in the overall market is the result of a trade-off.

The scale and depth of this study permits some insight into a probable reason for the existing hyperbolic projections, and a hypothetical but realistic example will serve to illustrate the explanation. In this hypothetical case, "Growth rates" are shown where actual attendance shows no change at all.

A hypothetical congress on internal medicine may have attracted 2,000 participants at its congress in May, 1963. The 1968 congress of the same association might be listed at 2,500 participants, because this now includes a further listing of a congress of gastro-enterologists with 500 participants—who, however, have already been counted once as internists. By 1973, the apparent number of internists at the congress has risen to 3,100—because this now includes 800 delegates to the gastro-enterology congress, and another new congress has appeared and been counted in the total, one that shows an attendance of 300 endoscopists. Each step upward in the figures comes from including the subordinate group that derives from it.

Most projections are based on past performances, and the hypothetical example clearly shows that, within the arbitrary universe under discussion, congress attendance has risen from 2,000 in 1963 to 3,100. In fact, however, this assumed increase may well illustrate nothing more than the progressive specialization among internists. The congress on internal medicine is likely to meet as an umbrella organization, holding some generalized full-membership meetings, after which the various sub-specialties break up into the smaller sessions of the respective new associations—all drawing on the original pool of the internists' attendance. Thus the hypothetical attendance total of 3,100 persons may represent no more than 2,000 bodies present, occupying hotel rooms and dining at restaurants.

(There can be peripheral economic benefits to the venue site from this proliferation of sub-congresses, because individual stays in the area may well be longer. But the actual “body count” of delegates is easily inflated in this manner, and can lead to exaggerated expectations of future market growth.)

With growing specialization various substantive fields, general umbrella organizations such as the hypothetical instance described above might even find it expedient to discontinue their own meetings, leaving the field entirely to the sub-specialties.

Aside from such considerations and the statistical pitfalls described above, extreme caution in assessing future congress volume is dictated by some of the root causes of the current world-wide interest in the congress market. Much of this interest is itself the outcome of earlier exaggerated projections of the conventional tourist market's growth—projections that have, in many countries, led to hotel construction on an unduly large scale. Destination competition tended to be overlooked, and the resulting oversupply of hotel space has prompted a number of key countries to seek a remedy for this situation in the international congress market. Hong Kong, Kenya and Singapore are among the leading examples, but similar considerations apply to other traditional tourist countries and to individual resorts, including those that have gone out of style in an age of mass tourism. It would be tragic if the hoped-for cure were to produce another ill, particularly in the form of large convention halls and other service facilities, leading to an oversupply situation in this area also.

There are indications that there will be growth—sometimes significant growth—in certain venue areas as competition for a larger number of smaller events emerges and sharpens. With the exception of events of a social-service or technical-assistance character, political, economic and basic cost considerations are likely to confine the primary competitive parameters of the future international meetings market to four main regions:

1. Europe;
2. North America;
3. Japan, Hong Kong and Singapore (with the latter two strongly competitive among themselves);
4. Australia.

For these regions, the **tentative projections** shown in the chart that follows may be set forth. The analytical criteria applied are as follows:

The quantitative projections shown rest on (1) the current market totals estimated in chapter VIII and IX; and (2) a downward revision, particularly through 1983, of the growth rates projected by Professor Ejler Akjaer (Copenhagen) in recent (unpublished) papers. These rates have been applied selectively to the four regions in question. For the near future, to about 1980, an attempt has been made to allow for the short-term effect of current economic problems on events currently committed with lead times whose effect is likely to be felt at least up to about 1980. Beyond 1983, growth rates for the 5-year time frames have been adjusted to allow for cyclical economic movements within these 5-year periods, which are thus assumed to represent an average.

The four prime competitive regions under discussion thus drew on a total pool of about 4,100 international meetings of all types, (but excluding all governmental meetings) in 1973-74, with an estimated average attendance of 360—markedly lower than the 410 shown in the consolidated table in chapter VIII because certain high-average areas (Israel and Latin America) have been left out of consideration here for the moment.

The total pool under review currently accounts for a total of just under 1.5 million participants. A tentative and conservative estimate would envisage the growth rates for the ensuing 5-year periods at 20, 25, 25 and 20 percent respectively, indicating the following attendance totals:

1973	1.5 million
1978	1.8 million
1983	2.25 million
1988	2.8 million
1993	3.4 million

—in other words, a slightly more than doubling of attendance within the regions concerned, with an attendance average of just over 340 persons per event of all types.

Market shares within this pool are virtually unpredictable, for their development will depend on the following basic factors:

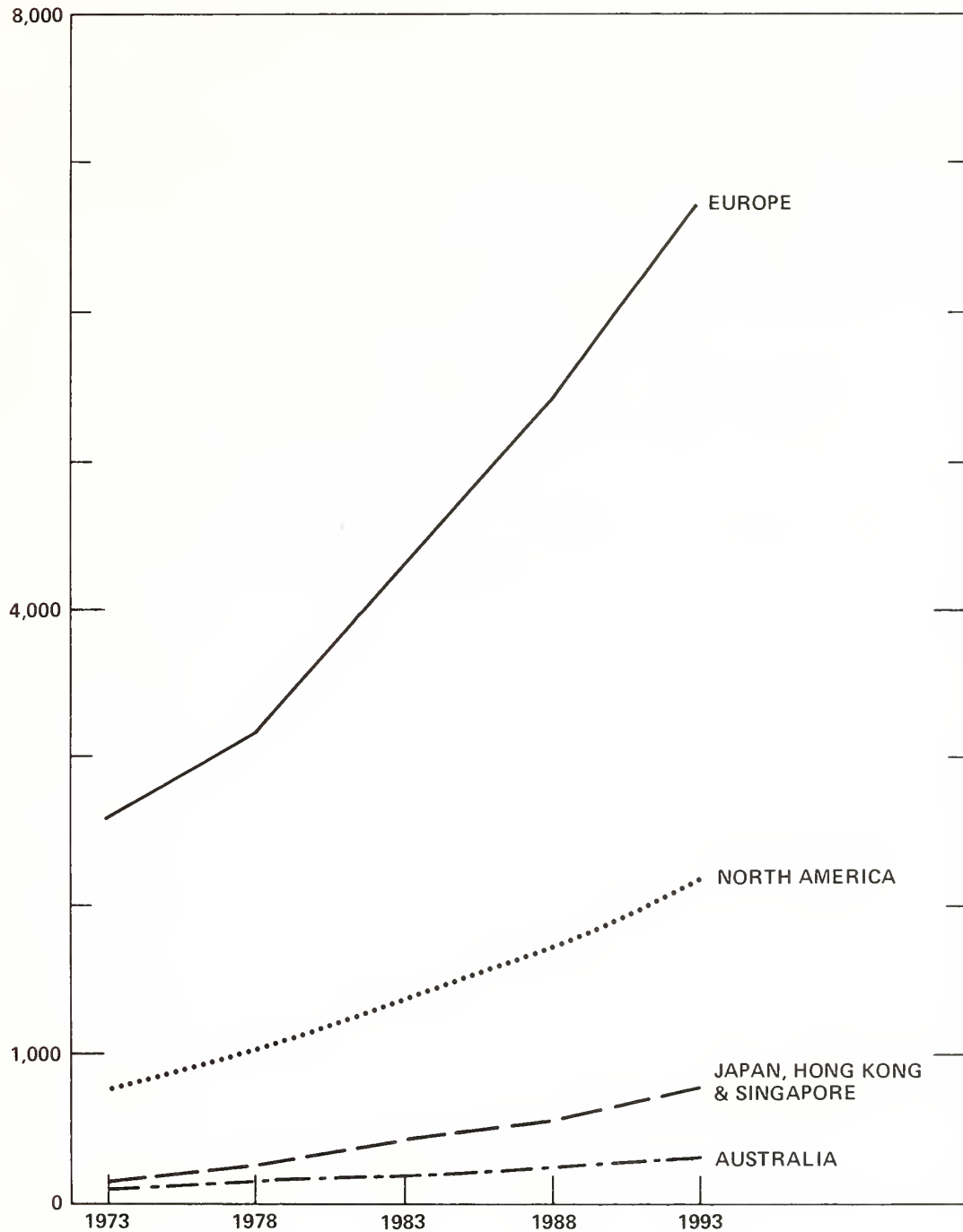
1. Local cost levels and/or offsetting inducements and subsidies:
2. Trends in air-travel costs for congress delegates (see chapter XII):
3. The degree to which the competitors within the pool can mobilize the resources that generate congress traffic: national invitations; good service back-up promotion; and the availability of flexible congress facilities.

In brief, then, future market shares will depend primarily on the degree to which all concerned are willing to take the congress market seriously, to invest thought and effort in it—and to develop it as a fixture, not just as a stop-gap when conventional tourism drops off.

The projected forecasts of the number of international congresses for the period 1973-93 are shown graphically in chart 11-1.

CHART 11-1

**Tentative Projection: Number of International Meetings
(association and other), 1973 - 1993**



XII. TRANSPORTATION AND TOURISM

1. The Role of Transportation Facilities and Costs

There is little question that transportation costs are perhaps the prime topic of concern in the venue-decision process, reflected in the comments of international association secretariats. There is substantial consensus that travel costs determine attendance at venues outside Europe, and attendance figures are a prime measure of success that reflects on the secretariat as well as on the officers of the event itself.

Interestingly, travel costs from Europe to North America (other than Mexico) tend to loom large in the context of discussion of any venue in the area, but are mentioned less frequently and less forcefully in the context of such venues as South-East Asia, Japan and Mexico, of which the first two involve far higher travel costs than North American destinations.

The explanation of this divergence in attitudes appears to lie in the fact that venue proposals from areas other than the US and Canada tend to include a clear early indication that the host organization (in most of the countries concerned) can and will eventually make appropriate group or charter-flight arrangements (terms that, again, carry a connotation of "value for money" of especially advantageous fares. On the other hand, Europe's traveling public has, for over a year, been exposed to widespread press publicity on constantly-rising fares on the North Atlantic, subject to IATA jurisdiction and thus to rigid implementation (outside of special flight programs—ABC and others—not usually considered to be accessible to congress participants).

There is a strong probability that if an interested party makes further inquiries from a travel agent, the information provided will have a pessimistic, even negative, implication. In interviews in Europe, congress-travel departments of major travel agencies stressed the difficulties of arriving at optimal cost quotations in the face of (currently) 22 different tariff categories on the North Atlantic. Their concern, however, centered on the impossibility of accurately forecasting fare levels over even short periods. In current practice, one travel agency cited the instance of having to bill each of 250 European physicians attending a congress in North America an unexpected additional \$100 per person. This fact, in the travel agency's view, would reflect adversely on them since they were the originators of the entire travel-attendance package, in which the air fare constituted between 50 and 60 percent of the total cost.

In the case of Singapore and Hong Kong, there is a degree of flexibility in the fare structure from Western Europe that permits the application of attractive group fares and packages. Much the same appears to hold true for travel between Europe and Mexico, and between Europe and Japan. Beyond that, however, these countries are among the most popular long-haul tourists destinations in the major European originating markets—a fact of which international secretariats and congress-travel organizers are well aware. Cost consciousness, in their view, is satisfied, when a congress venue coincides with a prime, prestigious tourist destination.

As will be noted in the following sub-section, there appears to be declining demand for pre- or post-congress tours as such, but enroute **stopovers** carry a different connotation. The Europe-Singapore or Hong Kong trip will normally permit stopovers in Thailand, India, or

Sri Lanka (Ceylon)* and this fact constitutes a definite attraction to congress participants. Japan, usually out of reach for most European tourists, is a prestige destination with an exceptional image in a large number of specialized fields in medicine, the sciences and industry—making contacts there professionally desirable, South-East Asia stop-overs are a further attractions, and a round-the-world trip is feasible at very slight extra cost.

Good inbound travel and reception arrangements, usually under the host-country's sponsorship, increase in importance when that country is distant and strange to the arriving congress participant.

Again, among the long-haul venues, Japanese host committees and major organizers I (including key facilities) lay the greatest stress on efficient and smooth inbound-travel arrangements. Here, there is close cooperation between the Japan Convention Bureau arm of the NGTO and the government-controlled Japan Travel Bureau already briefly described in chapter VIII* section 6. These organizations render substantial assistance to host committees, international secretariats and all others concerned, and provide a ready channel for coordinated movement organization in cooperation with travel agents in delegates' countries of origin.

A broad range of other facilities and services play a major role in both initial market images and, later, the smooth implementation of delegate movement. An absence of visa requirements, or smooth issue of visas where required is important. Noted earlier, certain large international federations make **non-discriminatory** treatment of all congress participants a keystone of their venue-selection policy. Certain countries, such as Italy, automatically grant congress participants up to 50 percent fare reductions on their railroads on presentation of their registration document—a widespread practice in Europe in connection with visitors to recognized fairs and exhibitions.

In general, association secretariats stress the importance of attention to detail. For instance, good currency exchange facilities at airports, hotels and local banks should be considered a vital service—tight congress scheduling does not permit time-wasting procedures in this context.

2. Congress-Connected Tourism

A majority of international associations provide facilities for pre- or post-congress tours (but predominantly post-congress); though some reject the idea outright as contrary to the organization's dignity, or simply as an unnecessary trimming. (Participation in the tours by individual delegates is another question, of course.) Most organizations, however, regard such tours as an added attraction for congress participants, and particularly for those from distant countries. While actual arrangements are generally handled through a travel agency, tour programs usually appear as an optional feature on the definitive congress program, and advance registration procedures as a rule offer an opportunity to sign up for such tours.

Such "official" tour offers normally provide a narrow choice of itineraries—usually not more than one or two—so as to generate maximum participation and thus the most advantageous group fares and land arrangements.

As a rule, associations and host committees in most venue areas are willing to initiate tour arrangements through a travel agency and perhaps offer some basic ideas on itineraries and tour length. However, they tend to take a "stand-off" attitude toward all elaboration of their basic ideas and toward all detail. They stress the importance of a simple offer with a minimum of alternative itinerary choices. (At times, however, as has been noted in earlier discussion, association secretariats imply that any emphasis on tour programs will distract participants' attention from the substance of the congress.)

Japan constitutes a notable exception to the fairly disinterested approaches described above. Japanese host committees have usually offered a tour program to international congress participants, and while planning and implementation are usually left to a travel agency (with Japan Travel Bureau dominating the market), it is evident that the hosts themselves feel that the program is an integral part of **their** offer of hospitality, and that they take pride in a successful program. Most important of all, host committees have underwritten up to about 50 percent of tour costs, guaranteeing the organizers a minimum participation and, in essence, carrying all but the basic accommodation costs.

In general host committees prefer the offer of a single itinerary, either comprising notable tourist sights or visits to facilities related to the congress substance. The stress on a single itinerary is explained in terms of major purpose of such tours—to provide further opportunity for contact and discussion among participants in a relaxed and attractive setting (for instance, charter cruises on the Inland Sea a popular itinerary).

Tourism opportunities in the South-East Asia region tend to be stressed by the convention bureaus in Singapore and Hong Kong (both political entities confined to small islands), but host committees' involvement tends to be in inverse relationship to the degree of substantive involvement of the congress.

Finally, Brazil discourages all but very limited post-congress tourism on the ground that the country's tourist facilities and accommodations outside Rio de Janeiro and São Paulo are not yet sufficiently developed to ensure full satisfaction to international delegates.

Mention should also be made of a degree of awareness, especially among NGTOs, that a congress in a neighboring country, or even at a greater distance, can bring a peripheral tourism benefit to the third country concerned. For instance, a recent large congress at Vancouver, B.C., offered two eastbound tours, one through the United States and one through the Canadian Rockies and the eastern cities. Where third-country carriers are involved, group travel to or from the venue site may incorporate organized stopovers at the carrier's home base where that is geographically feasible. (By analogy, and regardless of carrier flag, one can envisage such tour stopovers en route from European airports to congresses in Australia, or on the return journey.)

With few exceptions, however, international associations and local host organizations note that tour participation is low, except for mid-congress local visits, unless the tours in question are congress-related facility or factory visits. The main reason for low attendance cited is lack of delegates' time, and the farther the venue from their home base, the less involvement, it is noted, will make major efforts to attend an interesting congress, but are least likely to take the extra time for a pleasure trip, however close at hand to the venue site. Especially unlikely to succeed are itineraries that will take a participant farther from his home base. Thus a large US federation of specialty (scientific) associations notes that tours to Hawaii after West Coast meetings were seriously under-subscribed.

There is, of course, a close connection between seasonal patterns of congresses and participants' available time—a topic discussed in the third section of this chapter.

Relative success is had, however, by a German venture constructed by Lufthansa, the national air carrier, in cooperation with the German NGTO and Convention Bureau under the title "Prifitours"—a set of programs of industrial tours in Germany and the rest of Europe. The program consists of 30 custom-designed itineraries, each related to a specific industrial specialty and, as a rule, a specific congress, international or domestic.

Where the package is congress-related, its schedule includes first attendance at the congress, followed (if the schedule involves a weekend) by a short sightseeing tour near the congress site, and then by visits to a wide range of appropriate facilities. For instance, a tour related

to the **Containerization 1974** congress and exhibition in Munich included 4 days of congress attendance, followed by 18 days of industrial visits to container facilities at truck and rail terminals, and at ports, in Germany, Belgium, the Netherlands, and the United Kingdom, with provisions for sightseeing tours on Sundays—a total program encompassing 26 days including inbound and outbound flights.

In summary, then, the type of tourism likely to be in future demand in the congress-travel context is likely to be a highly targeted variant of **professional study tours**. Its basic format is likely to lend itself, with some adaptation, to the entirely separate **incentive-travel market**. Some coordination in this and other areas of common concern or common services is thus likely to be advantageous.

3. Seasonal Patterns

The following chart illustrates the **peak congress seasons** for the world's key venue areas:

Table 12-1.—Seasonality of International Congresses by Major Venues

	North America	Europe	Japan	Asia (other)	Australia	Africa	South America
March							
April	X						
May	X	X	X		X		
June		X					
July							
August	X		X				
September	X	X	X	X		X	
October	X			X	X		X

In most areas, then, the peak congress seasons tend to be concentrated in what would (in tourism terms) be “shoulder seasons” but with a spill-over into off-seasons that can still anticipate generally acceptable weather. In general, then, there should be no strong seasonal clash between conventional tourist and congress traffic peaks.

4. Concluding Note

The preceding section illustrates the extent to which congress traffic, duly encouraged and facilitated, can even-out traditional peaks in the hotel and air-traffic sectors. Congress travel is, in this sense, a serious **complement** to the tourism market, not merely a stop-gap alternative to be worked at only when tourism growth-rates decline.

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